



RFP No: 3733

INVITATION: Sealed proposals, subject to the attached conditions, will be received at this office until **November 12, 2013 @3:00 p.m.** Central Time for the acquisition of the products/services described below for Mississippi Board of Nursing.

Acquisition of a web-based Commercial-off-the-Shelf License Management System for the Mississippi State Board of Nursing

VENDOR CONFERENCE: Thursday, October 10, 2013

NOTE: THIS RFP CONTAINS MANDATORY REQUIREMENTS TO WHICH NO EXCEPTION MAY BE TAKEN. SEE SECTION VII, ITEM 2, FOR DETAILS.

The Vendor must submit proposals and direct inquiries to:

Donna Hamilton
Technology Consultant
Information Technology Services
3771 Eastwood Drive
Jackson, MS 39211
(601) 432-8114
Donna.Hamilton@its.ms.gov

To prevent opening by unauthorized individuals, all copies of the proposal must be sealed in the package. The following must be clearly typed on a label affixed to the package in a clearly visible location:

PROPOSAL, SUBMITTED IN RESPONSE TO
RFP NO. 3733
due **November 11, 2013 @ 3:00 p.m.**,
ATTENTION: Donna Hamilton

Craig P. Orgeron, Ph.D.
Executive Director, ITS

ITS RFP Response Checklist

RFP Response Checklist: These items should be included in your response to RFP No. 3733.

- _____ 1) One clearly marked original response and 6 identical copy/copies of the complete proposal with each response containing an accompanying electronic copy in Adobe Acrobat latest version. Label the front and spine of the three-ring loose-leaf binder and each CD with the Vendor name and RFP number. Include the items listed below inside the binder. Please DO NOT include a copy of the RFP in the binder.
- _____ 2) *Submission Cover Sheet*, signed and dated. (Section I)
- _____ 3) *Proposal Bond*, if applicable (Section I)
- _____ 4) *Proposal Exception Summary*, if applicable (Section V)
- _____ 5) Vendor response to *RFP Questionnaire* (Section VI)
- _____ 6) Point-by-point response to *Technical Specifications* (Section VII)
- _____ 7) Vendor response to *Cost Information Submission* (Section VIII)
- _____ 8) *References* (Section IX)

Table of Contents

SECTION I.....	4
SUBMISSION COVER SHEET & CONFIGURATION SUMMARY	4
PROPOSAL BONDS	5
SECTION II	6
PROPOSAL SUBMISSION REQUIREMENTS	6
SECTION III	10
VENDOR INFORMATION.....	10
SECTION IV	14
LEGAL AND CONTRACTUAL INFORMATION	14
SECTION V	25
PROPOSAL EXCEPTIONS.....	25
PROPOSAL EXCEPTION SUMMARY FORM	27
SECTION VI.....	28
RFP QUESTIONNAIRE.....	28
SECTION VII.....	31
TECHNICAL SPECIFICATIONS.....	31
SECTION VIII.....	62
COST INFORMATION SUBMISSION	62
SECTION IX.....	64
REFERENCES	64
REFERENCE FORM	66
SUBCONTRACTOR REFERENCE FORM.....	67
EXHIBIT A	68
STANDARD CONTRACT.....	68
EXHIBIT B	91
MISSISSIPPI PAYMENT PROCESSING.....	91
EXHIBIT C.....	100
FINAL RULE.....	100

SECTION I

SUBMISSION COVER SHEET & CONFIGURATION SUMMARY

Provide the following information regarding the person responsible for the completion of your proposal. This person should also be the person the Mississippi Department of Information Technology Services, (ITS), should contact for questions and/or clarifications.

Name _____ Phone # _____
 Address _____ Fax # _____
 E-mail _____

Subject to acceptance by **ITS**, the Vendor acknowledges that by submitting a proposal AND signing in the space indicated below, the Vendor is contractually obligated to comply with all items in this Request for Proposal (RFP), including the Standard Contract in Exhibit A if included herein, except those listed as exceptions on the Proposal Exception Summary Form. If no *Proposal Exception Summary Form* is included, the Vendor is indicating that he takes no exceptions. This acknowledgement also contractually obligates any and all subcontractors that may be proposed. Vendors who sign below may not later take exception to any point during contract negotiations. The Vendor further certifies that the company represented here is an authorized dealer in good standing of the products/services included in this proposal.

_____/_____
 Original signature of Officer in Bind of Company/Date

Name (typed or
 printed) _____

Title _____

Company name _____

Physical address _____

State of Incorporation _____

CONFIGURATION SUMMARY

The Vendor must provide a summary of the main components of products/services offered in this proposal using 100 words or less.

--

PROPOSAL BONDS

Please attach the required Proposal Bond here.

SECTION II

PROPOSAL SUBMISSION REQUIREMENTS

The objective of the Proposal Submission Requirements section is to provide Vendors with the information required to submit a response to this Request for Proposal (RFP). A Vendor who has responded to previous RFPs issued by **ITS** should not assume that the requirements are the same, as changes may have been made.

1. Failure to follow any instruction within this RFP may, at the State's sole discretion, result in the disqualification of the Vendor's proposal.
2. The State has no obligation to locate or acknowledge any information in the Vendor's proposal that is not presented under the appropriate outline according to these instructions and in the proper location.
3. The Vendor's proposal must be received, in writing, by the office of **ITS** by the date and time specified. **ITS** is not responsible for any delays in delivery or expenses for the development or delivery of proposals. Any proposal received after proposal opening time will be returned unopened. Any proposal received with insufficient postage will be returned unopened.
4. Proposals or alterations by fax, e-mail, or phone will not be accepted.
5. Original signatures are required on one copy of the Submission Cover Sheet and Configuration Summary, and the Vendor's original submission must be clearly identified as the original. The Vendor's original proposal must include the Proposal Bond, (if explicitly required in Section IV).
6. **ITS** reserves the right to reject any proposals, including those with exceptions, prior to and at any time during negotiations.
7. **ITS** reserves the right to waive any defect or irregularity in any proposal procedure.
8. The Vendor may intersperse their response following each RFP specification but must not otherwise alter or rekey any of the original text of this RFP. If the State determines that the Vendor has altered any language in the original RFP, the State may, in its sole discretion, disqualify the Vendor from further consideration. The RFP issued by **ITS** is the official version and will supersede any conflicting RFP language submitted by the Vendor.
9. The Vendor must conform to the following standards in the preparation of the Vendor's proposal:
 - 9.1 The Vendor is required to submit one clearly marked original response and 6 identical copies of the complete proposal, including all sections and exhibits, in three-ring binders.
 - 9.2 To prevent opening by unauthorized individuals, all copies of the proposal must be sealed in the package. A label containing the information on the

RFP cover page must be clearly typed and affixed to the package in a clearly visible location.

- 9.3 Number each page of the proposal.
 - 9.4 Respond to the sections and exhibits in the same order as this RFP.
 - 9.5 Label and tab the responses to each section and exhibit, using the corresponding headings from the RFP.
 - 9.6 If the Vendor does not agree with any item in any section, then the Vendor must list the item on the *Proposal Exception Summary Form*. (See Section V for additional instructions regarding Vendor exceptions.)
 - 9.7 Occasionally, an outline point in an attachment requests information which is not applicable to the products/services proposed. If the Vendor is certain the point does not apply to the given RFP, the Vendor should respond with "NOT APPLICABLE."
 - 9.8 Where an outline point asks a question or requests information, the Vendor must respond with the specific answer or information requested.
 - 9.9 When an outline point/attachment is a statement provided for the Vendor's information only, the Vendor need only read that point. The Vendor acknowledges having read and accepting, or taking exception to, all sections by signing the *Submission Cover Sheet* and providing a *Proposal Exception Summary Form*.
 - 9.10 Where a minimum requirement has been identified, respond by stating the item (e.g., device name/model number, guaranteed response time) proposed and how it will meet the specifications.
 - 9.11 The Vendor must fully respond to each requirement within the *Technical Specifications* by fully describing the manner and degree by which the proposal meets or exceeds said requirements.
10. It is the responsibility of the Vendor to clearly identify all costs associated with any item or series of items in this RFP. The Vendor must include and complete all parts of the cost proposal in a clear and accurate manner. **Omissions, errors, misrepresentations, or inadequate details in the Vendor's cost proposal may be grounds for rejection of the Vendor's proposal. Costs that are not clearly identified will be borne by the Vendor.** The Vendor must complete the *Cost Information Submission* in this RFP, which outlines the minimum requirements for providing cost information. The Vendor should supply supporting details as described in the *Cost Information Submission*.
11. **ITS** reserves the right to request additional information or clarification of a Vendor's proposal. The Vendor's cooperation during the evaluation process in providing **ITS** staff with adequate responses to requests for clarification will be considered a factor in the evaluation of the Vendor's overall responsiveness. Lack of such cooperation or failure to

provide the information in the manner required may, at the State's discretion, result in the disqualification of the Vendor's proposal.

12. Unsolicited clarifications and updates submitted after the deadline for proposals will be accepted or rejected at the sole discretion of **ITS**.
13. Unsolicited clarifications in the evaluation and selection of lowest and best proposal will be considered only if all the following conditions are met:
 - 13.1 A clarification to a proposal that includes a newly announced product line or service with equal or additional capability to be provided at or less than the proposed price will be considered.
 - 13.2 Information provided must be in effect nationally and have been formally and publicly announced through a news medium that the Vendor normally uses to convey customer information.
 - 13.3 Clarifications must be received early enough in the evaluation process to allow adequate time for re-evaluation.
 - 13.4 The Vendor must follow procedures outlined herein for submitting updates and clarifications.
 - 13.5 The Vendor must submit a statement outlining the circumstances for the clarification.
 - 13.6 The Vendor must submit one clearly marked original and 6 copies of the clarification.
 - 13.7 The Vendor must be specific about which part of the original proposal is being changed by the clarification (i.e., must include exact RFP reference to section and outline point).
14. **Communications with State**

From the issue date of this RFP until a Vendor is selected and the selection is announced, responding Vendors or their representatives may not communicate, either orally or in writing regarding this RFP with any statewide elected official, state officer or employee, member of the legislature or legislative employee except as noted herein. To ensure equal treatment for each responding Vendor, all questions regarding this RFP must be submitted in writing to the State's contact person for the selection process, and not later than the last date for accepting responding Vendor questions provided in this RFP. All such questions will be answered officially by the State in writing. All such questions and answers will become addenda to this RFP, and they will be posted to the ITS web site. Vendors failing to comply with this requirement will be subject to disqualification.

 - 14.1 The State's contact person for the selection process is: Donna Hamilton, Technology Consultant, 3771 Eastwood Drive, Jackson, MS 39211, 601-432-8114, Donna.Hamilton@its.ms.gov.

- 14.2 Vendor may consult with State representatives as designated by the State's contact person identified in 14.1 above in response to State-initiated inquiries. Vendor may consult with State representatives during scheduled oral presentations and demonstrations excluding site visits.

SECTION III VENDOR INFORMATION

The objective of the Vendor Information section of this RFP is to provide Vendors with information required to respond to the RFP successfully.

1. **Interchangeable Designations**

The terms "Vendor" and "Contractor" are referenced throughout this RFP. Generally, references to the "Vendor" are used in conjunction with the proposing organization and procurement process leading up to the final RFP selection and award. The term "Contractor" denotes the role assumed, post-award, by the winning Vendor. Additionally, the terms "State of Mississippi," "State" or "ITS" may be used interchangeably throughout this RFP to denote the political entity issuing the RFP and requesting responses from Vendors throughout these specifications. References to a specific agency, institution or other political entity represent the client or customer on whose behalf ITS is issuing the RFP.

2. **Vendor's Responsibility to Examine RFP**

Vendors must examine all documents, forms, specifications, standard provisions, and instructions.

3. **Proposal as Property of State**

All written proposal material becomes the property of the State of Mississippi.

4. **Written Amendment to RFP**

Any interpretation of an **ITS** RFP will be made by written amendment only. The State will not be responsible for any other explanation of this RFP. A copy of any amendment will be posted on the **ITS** website, together with the associated RFP specification. Vendors are required to check the **ITS** website periodically for RFP amendments before the proposal opening date at:

http://www.its.ms.gov/Procurement/Pages/RFPS_Awaiting.aspx

Any and all amendments will be posted no later than noon, seven days prior to the proposal opening date listed on the cover page of this RFP. If you are unable to access the **ITS** website, you may contact the **ITS** technology consultant listed on page one of this RFP and request a copy.

5. **Oral Communications Not Binding**

Only transactions which are in writing from **ITS** may be considered official. No negotiations, decisions, or actions shall be executed by any Vendor as a result of any discussions with any State employee.

6. **Vendor's Responsibility for Delivery**

Vendors must ensure, through reasonable and sufficient follow-up, proper compliance with, and fulfillment of all schedules and deliverables specified within the body of this RFP. The State will not be responsible for the failure of any delivery medium for submission of information to or from the Vendor, including but not limited to, public and private carriers, U.S. mail, Internet Service Providers, facsimile, or e-mail.

7. **Evaluation Criteria**

The State's intent in issuing this RFP is to award a contract to the lowest and best responsive Vendor who meets specifications, considering price and other factors. The Vendor's past performance, cooperation, and ability to provide service and training are general factors that will be weighed in the selection process. More specific information concerning evaluation criteria is presented in *Technical Specifications*.

8. **Multiple Awards**

ITS reserves the right to make multiple awards.

9. **Right to Award in Whole or Part**

ITS reserves the right to approve an award by individual items or in total, whichever is deemed to be in the best interest of the State of Mississippi.

10. **Right to Use Proposals in Future Projects**

The State reserves the right to evaluate the awarded proposal from this RFP, including all products and services proposed therein, along with the resulting contractual terms, for possible use in future projects if (a) it is deemed to be in the best interest of the State to do so; and (b) the Vendor is willing to extend a cost less than or equal to that specified in the awarded proposal and resulting contract. A decision concerning the utilization of a Vendor's proposal for future projects is solely at the discretion of the State and requires the agreement of the proposing Vendor. The State's decision to reuse an awarded proposal will be based upon such criteria as: (1) the customer's business requirements; (2) elapsed time since the award of the original project; and/or (3) research on changes in the Vendor, market, and technical environments since the initial award.

11. **Price Changes During Award or Renewal Period**

A price increase will not be accepted during the award period or the renewal period, unless stipulated in the contract. However, the State will always take advantage of price decreases.

12. **Right to Request Information**

The State reserves the right to request information relative to a Vendor's references and financial status and to visit a Vendor's facilities during normal working hours. The State also reserves the right to request a current financial statement, prepared and certified by an independent auditing firm, and reserves the right to require that Vendors document their financial ability to provide the products and services proposed up to the total dollar amount of the Vendor's cost proposal. The State reserves the right to request information about the Vendor from any previous customer of the Vendor of whom the State is aware, even if that customer is not included in the Vendor's list of references.

13. **Vendor Personnel**

For RFPs including professional services specifications, the Vendor will be required to provide and/or certify the following for each individual included in the Vendor's proposal:

- 13.1 A direct telephone number at which the individual may be contacted for a telephone interview. The State will pay toll charges in the continental

United States. The Vendor must arrange a toll-free number for all other calls.

- 13.2 That, if onsite interviews are required, the individual can be at the specified location in Mississippi within the timeframe specified. All costs associated with onsite interviews will be the responsibility of the Vendor.
- 13.3 That the individual is proficient in spoken and written English;
- 13.4 That the individual is a U.S. citizen or that the individual meets and will maintain employment eligibility requirements in compliance with all INS regulations. The Vendor must provide evidence of identification and employment eligibility prior to the award of a contract that includes any personnel who are not U. S. citizens.
- 13.5 That the personnel assigned to a project will remain a part of the project throughout the duration of the contract as long as the personnel are employed by the Vendor, unless replaced by the Vendor at the request of the State. This requirement includes the responsibility for ensuring all non-citizens maintain current INS eligibility throughout the duration of the contract.

14. Vendor Imposed Constraints

The Vendor must specifically document what limitations, if any, exist in working with any other Contractor acting in the capacity of the State's business partner, subcontractor or agent who may be managing any present or future projects; performing quality assurance; integrating the Vendor's software; and/or providing web-hosting, hardware, networking or other processing services on the State's behalf. The project relationship may be based on roles as either equal peers; supervisory – subordinate; or subordinate – supervisory, as determined by the State. The State recognizes that the Vendor may have trade secrets, intellectual property and/or business relationships that may be subject to its corporate policies or agreements. The State must understand these issues in order to decide to what degree they may impact the State's ability to conduct business for this project. These considerations will be incorporated accordingly into the proposal evaluation and selection process. The understanding reached between the Vendor and the State with regard to this business relationship precludes the Vendor from imposing any subsequent limitations of this type in future project undertakings by the State.

15. Best and Final Offer

The State reserves the right to solicit Best and Final Offers (BAFOs) from Vendors, principally in situations in which proposal costs eclipse available funding or the State believes none of the competing proposals presents a Best Value (lowest and best proposal) opportunity. Because of the time and expense incurred by both the Vendor community and the State, BAFOs are not routinely conducted. Vendors should offer their best pricing with the initial solicitation. Situations warranting solicitation of a BAFO will be considered an exceptional practice for any procurement. Vendors that remain in a competitive range within an evaluation may be requested to tender Best and Final Offers, at the sole discretion of the State. All such Vendors will be provided an equal opportunity to respond with a Best and Final Offer under a procedure to be defined by

the State that encompasses the specific, refined needs of a project, as part of the BAFO solicitation. The State may re-evaluate and amend the original project specifications should it be deemed necessary in order to improve the opportunity for attaining Best Value scenarios from among the remaining competing Vendors. All BAFO proceedings will be uniformly conducted, in writing and subject to solicitation by the State and receipt from the Vendors under a precise schedule.

16. **Restriction on Advertising**

The Vendor must receive written approval from the State before advertising or referencing the award of the contract or the services being provided. The Vendor must agree not to refer to awards in commercial advertising in such a manner as to state or imply that the firm or its services are endorsed or preferred by the State of Mississippi.

17. **Rights Reserved to Use Existing Product Contracts**

The State reserves the right on turnkey projects to secure certain products from other existing **ITS** contracts if it is in its best interest to do so. If this option is exercised, then the awarded Vendor must be willing to integrate the acquisition and implementation of such products within the schedule and system under contract.

18. **Additional Information to be Included**

In addition to answering each specification within this RFP, the Vendor must include complete product/service information, including product pictorials and technical/descriptive literature relative to any product/service offered with the proposal. Information submitted must be sufficiently detailed to substantiate that the products/services offered meet or exceed specifications.

19. **Valid Contract Required to Begin Work**

The successful Vendor should not commence any billable work until a valid contract has been executed. Any work done by the successful Vendor prior to the execution of the contract is done at the Vendor's sole risk. The State is under no obligation to pay for work done prior to the execution of a contract.

SECTION IV LEGAL AND CONTRACTUAL INFORMATION

The objective of the *Legal and Contractual Information* section is to provide Vendors with information required to complete a contract or agreement with **ITS** successfully.

1. **Acknowledgment Precludes Later Exception**

By signing the *Submission Cover Sheet*, the Vendor is contractually obligated to comply with all items in this RFP, including the *Standard Contract* in Exhibit A if included herein, except those specifically listed as exceptions on the *Proposal Exception Summary Form*. If no *Proposal Exception Summary Form* is included, the Vendor is indicating that he takes no exceptions. Vendors who respond to this RFP by signing the *Submission Cover Sheet* may not later take exception to any item in the RFP during contract negotiations. This acknowledgement also contractually obligates any and all subcontractors that may be proposed. No exceptions by subcontractors or separate terms and conditions will be entertained after the fact.

2. **Failure to Respond as Prescribed**

Failure to respond as described in Section II: *Proposal Submission Requirements* to any item in the sections and exhibits of this RFP, including the *Standard Contract* attached as Exhibit A, if applicable, shall contractually obligate the Vendor to comply with that item.

3. **Contract Documents**

ITS will be responsible for all document creation and editorial control over all contractual documentation related to each procurement project. The following documents will normally be included in all contracts between **ITS** and the Vendor:

- 3.1 The Proposal Exception Summary Form as accepted by **ITS**;
- 3.2 Contracts which have been signed by the Vendor and **ITS**;
- 3.3 **ITS'** Request for Proposal, including all addenda;
- 3.4 Official written correspondence from **ITS** to the Vendor;
- 3.5 Official written correspondence from the Vendor to **ITS** when clarifying the Vendor's proposal; and
- 3.6 The Vendor's proposal response to the **ITS** RFP.

4. **Order of Precedence**

When a conflict arises regarding contract intent due to conflicting statements in documents included in the contract, the order of precedence of each document is as listed above unless modification of order is negotiated and agreed upon by both **ITS** and the winning Vendor.

5. **Additional Contract Provisions**

The contract will also include such additional provisions, which are not inconsistent or incompatible with the material terms of this RFP, as may be agreed upon by the parties. All of the foregoing shall be in such form and substance as prescribed by the State.

6. **Contracting Agent by Law**

The Executive Director of **ITS** is, by law, the purchasing and contracting agent for the State of Mississippi in the negotiation and execution of all contracts for the acquisition of computer and telecommunications equipment, systems, software, and services (Section 25-53-1, et seq., of the Mississippi Code Annotated). **ITS** is issuing this RFP on behalf of the procuring agency or institution. **ITS** and the procuring agency or institution are sometimes collectively referred to within this RFP as "State."

7. **Mandatory Legal Provisions**

- 7.1 The State of Mississippi is self-insured; all requirements for the purchase of casualty or liability insurance are deleted.
- 7.2 Any provisions disclaiming implied warranties shall be null and void. See Mississippi Code Annotated Sections 11-7-18 and 75-2-719(4). The Vendor shall not disclaim the implied warranties of merchantability and fitness for a particular purpose.
- 7.3 The Vendor shall have no limitation on liability for claims related to the following items:
 - 7.3.1 Infringement issues;
 - 7.3.2 Bodily injury;
 - 7.3.3 Death;
 - 7.3.4 Physical damage to tangible personal and/or real property; and/or
 - 7.3.5 The intentional and willful misconduct or negligent acts of the Vendor and/or Vendor's employees or subcontractors.
- 7.4 All requirements that the State pay interest (other than in connection with lease-purchase contracts not exceeding five years) are deleted.
- 7.5 Any contract negotiated under this RFP will be governed by and construed according to the laws of the State of Mississippi. Venue for the resolution of any dispute shall be Jackson, Hinds County, Mississippi.
- 7.6 Any contract negotiated under this RFP is cancelable in the event the funding authority does not appropriate funds. Notice requirements to Vendor cannot exceed sixty (60) days.

- 7.7 The State of Mississippi does not waive its sovereign immunities or defenses as provided by law by entering into this contract with the Vendor, Vendor agents, subcontractors, or assignees.
- 7.8 The State will deliver payments to the Vendor within forty-five (45) days after receipt of invoice and receipt, inspection, and approval of Vendor's products/services. No late charges will exceed 1.5% per month on any unpaid balance from the expiration of said period until payment is delivered. See Section 31-7-305 of the Mississippi Code Annotated. Seller understands and agrees that Purchaser is exempt from the payment of taxes.
- 7.9 The State shall not pay any attorney's fees, prejudgment interest or the cost of legal action to or for the Vendor.

8. Approved Contract

- 8.1 Award of Contract - A contract is considered to be awarded to a proposer once the proposer's offering has been approved as lowest and best proposal through:
 - 8.1.1 Written notification made to proposers on **ITS** letterhead, or
 - 8.1.2 Notification posted to the **ITS** website for the project, or
 - 8.1.3 CP-1 authorization executed for the project, or
 - 8.1.4 The **ITS** Board's approval of same during an open session of the Board.
- 8.2 **ITS** statute specifies whether **ITS** Director approval or **ITS** Board approval is applicable for a given project, depending on the total lifecycle cost of the contract.
- 8.3 A contract is not deemed final until five (5) working days after either the award of contract or post procurement review, as stipulated in the **ITS** Protest Procedure and Policy. In the event of a valid protest, the State may, at its sole discretion, continue the procurement or stay the procurement in accordance with the **ITS** Protest Procedure and Policy. If the procurement is stayed, the contract is not deemed final until the protest is resolved.

9. Contract Validity

All contracts are valid only if signed by the Executive Director of **ITS**.

10. Order of Contract Execution

Vendors will be required to sign contracts and to initial all contract changes before the Executive Director of **ITS** signs.

11. Availability of Funds

All contracts are subject to availability of funds of the acquiring State entity and are contingent upon receipt by the winning Vendor of a purchase order from the acquiring State entity.

12. CP-1 Requirement

All purchase orders issued for goods and services acquired from the awarded Vendor under this RFP must be encoded by the Customer agency with a CP-1 approval number assigned by **ITS**. This requirement does not apply to acquisitions that by policy have been delegated to State entities.

13. Requirement for Electronic Payment and Invoicing

13.1 Payments to the awarded Vendor for all goods and services acquired under this RFP by state agencies that make payments through the Statewide Automated Accounting System ("SAAS") will be made electronically, via deposit to the bank account of the Vendor's choice. The awarded Vendor must enroll and be activated in PayMode™, the State's current vehicle for sending and receiving electronic payments, prior to receiving any payments from state agencies. There is no charge for a Vendor to enroll or receive payments via PayMode. For additional information on PayMode, including registration instructions, Vendors should visit the following website: <http://portal.paymode.com/ms/>. Vendors may also request assistance from the Mississippi Management and Reporting System (MMRS) Call Center regarding PayMode registration by contacting mash@dfa.state.ms.us.

13.2 For state agencies that make payments through SAAS, the awarded Vendor is required to submit electronically all invoices for goods and services acquired under this RFP, along with appropriate supporting documentation, as directed by the State. Should the requirement for electronic invoicing be implemented during the term of the project contract, the State will work with the Vendor to determine a reasonable timeframe for initiating electronic invoicing.

13.3 Items 13.1 and 13.2 only apply to state agencies that make payments through SAAS. Payments and invoices for all other entities will conform to their standard methods of payment to contractors.

14. Time For Negotiations

14.1 All contractual issues must be successfully negotiated within fifteen (15) working days from the Vendor's initial receipt of the project contract from **ITS**, unless **ITS** consents to extend the period. Failure to complete negotiations within the stated time period constitutes grounds for rejection of the Vendor's response to this RFP. **ITS** may withdraw the proposal award and begin negotiations with the next ranked Vendor immediately or pursue any other option.

14.2 Negotiations shall be limited to items to which the Vendor has noted as exceptions on their Proposal Exception Summary Form, as well as any

new items that the State may require. All contract changes requested by the Vendor related to such exceptions noted in Vendor's proposal shall be submitted three (3) working days prior to scheduled negotiations, unless **ITS** consents to a different period.

15. Prime Contractor

The selected Vendor will be designated the prime contractor in the proposal, and as such, shall be solely responsible for all products/services offered in the proposal and for the fulfillment of the contract with the State.

16. Sole Point of Contact

ITS will consider the selected Vendor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract.

16.1 The Vendor must acknowledge and agree that in matters of proposals, clarifications, negotiations, contracts and resolution of issues and/or disputes, the Vendor represents all contractors, third parties and/or subcontractors the Vendor has assembled for this project. The Vendor's commitments are binding on all such parties and consequently the State is only required to negotiate with the Vendor.

16.2 Furthermore, the Vendor acknowledges and agrees to pass all rights and/or services related to all general consulting, services leasing, software licensing, warranties, hardware maintenance and/or software support to the State from any contractor, third party or subcontractor without the State having to negotiate separately or individually with any such parties for these terms or conditions.

16.3 Should a proposing Vendor wish to assign payment of any or all charges resulting from this contract to a third party, Vendor must disclose that fact in his/her proposal, along with the third party's name, address, nature of business, and relationship to the proposing Vendor, the reason for and purpose of the assignment, and all conditions of the assignment, including but not limited to a copy of an assignment document to be executed by the State, the Vendor, and the third party. Such assignments will be accepted or rejected at the sole discretion of the State. Vendor must clearly and definitively state in his/her proposal whether the proposal is contingent upon the requested assignment of payments. Whenever any assignment of payment is requested, the proposal, contract, and assignment document must include language specifically guaranteeing that the proposing Vendor is solely and fully liable and responsible for the performance of its obligations under the subject contract. No assignment of payment will be considered at the time of purchase unless such assignment was fully disclosed in the Vendor's proposal and subsequently accepted by the State.

17. ITS Approval of Subcontractor Required

Unless provided in the contract, the Vendor shall not contract with any other party for furnishing any of the contracted work or services without the consent, guidance, and

written approval of the State. **ITS** reserves the right of refusal and the right to request replacement of a subcontractor due to unacceptable work or conduct. This provision should not be interpreted as requiring the approval of individual contracts of employment between the Vendor and personnel assigned for services under the contract.

18. **Inclusion of Subcontract Agreements**

Copies of any agreements to be executed between the Vendor and any subcontractors must be included in the Vendor's proposal.

19. **Negotiations with Subcontractor**

In order to protect the State's interest, **ITS** reserves the right to attempt to resolve the contractual disagreements that may arise between the Vendor and its subcontractor after award of the contract.

20. **References to Vendor to Include Subcontractor**

All references in the RFP to "Vendor" shall be construed to encompass both the Vendor and its subcontractors.

21. **Outstanding Vendor Obligations**

21.1 Any Vendor who presently owes the State of Mississippi money pursuant to any contract for which **ITS** is the contracting agent and who has received written notification from **ITS** regarding the monies owed, must submit, with the proposal, a certified check in the amount due and owing in order for the proposal in response to this RFP to be considered. For a Vendor currently in bankruptcy as of the RFP submission date, this requirement is met, if and only if, **ITS** has an active petition before the appropriate bankruptcy court for recovery of the full dollar amount presently owed to the State of Mississippi by that Vendor. If the Vendor has emerged from bankruptcy by the RFP submission date, the Vendor must pay in full any amount due and owing to the State, as directed in the court-approved reorganization plan, prior to any proposal being considered.

21.2 Any Vendor who is presently in default on existing contracts for which **ITS** is the contracting agent, or who otherwise is delinquent in the performance of any such contracted obligations, is in the sole judgment of the State required to make arrangement for fulfilling outstanding obligations to the satisfaction of the State in order for the proposal to be considered.

21.3 The State, at its sole discretion, may reject the proposal of a Vendor with any significant outstanding financial or other obligations to the State or who is in bankruptcy at the time of proposal submission.

22. **Equipment Condition**

For all RFPs requiring equipment, the Vendor must furnish only new equipment in response to **ITS** specifications, unless an explicit requirement for used equipment is otherwise specified.

23. **Delivery Intervals**

The Vendor's proposal must specify, in the *Cost Information Submission* and in response to any specific instructions in the *Technical Specifications*, delivery and installation intervals after receipt of order.

24. **Pricing Guarantee**

The Vendor must explicitly state, in the *Cost Information Submission* and in response to any specific instructions in the *Technical Specifications*, how long the proposal will remain valid. Unless stated to the contrary in the *Technical Specifications*, pricing must be guaranteed for a minimum of ninety (90) days.

25. **Shipping Charges**

For all RFPs requiring shipment of any product or component, all products must be delivered FOB destination to any location within the geographic boundaries of the State with all transportation charges prepaid and included in the RFP proposal or LOC quotation. Destination is the point of use.

26. **Amortization Schedule**

For all RFPs requiring equipment, contracts involving the payment of interest must include an amortization schedule clearly documenting the amount of interest payable over the term of the contract.

27. **Americans with Disabilities Act Compliance for Web Development and Portal Related Services**

All Web and Portal development work must be designed and implemented in compliance with the Electronic and Information Technology Accessibility Standards associated with Section 508 of the Rehabilitation Act and with the Web Accessibility Initiative (WAI) of the W3C.

28. **Ownership of Developed Software**

28.1 When specifications require the Vendor to develop software for the State, the Vendor must acknowledge and agree that the State is the sole owner of such developed software with exclusive rights to use, alter, or distribute the software without restriction. This requirement applies to source code, object code, and documentation.

28.2 The State may be willing to grant the Vendor a nonexclusive license to use the State's software subject to devising acceptable terms and license fees. This requirement is a matter of State Law, and not negotiable.

29. **Ownership of Custom Tailored Software**

In installations where the Vendor's intellectual property is modified and custom-tailored to meet the needs of the State, the Vendor must offer the State an application license entitling the State to use, and/or alter the software without restriction. These requirements apply to source code, object code and documentation.

30. **Terms of Software License**

The Vendor acknowledges and agrees that the term of all software licenses provided to the State shall be perpetual unless stated otherwise in the Vendor's proposal.

31. **The State is Licensee of Record**

The Vendor must not bypass the software contracting phase of a project by licensing project software intended for State use in its company name. Upon award of a project, the Vendor must ensure that the State is properly licensed for all software that is proposed for use in a project.

32. **Compliance with Enterprise Security Policy**

Any solution proposed in response to this RFP must be in compliance with the State of Mississippi's Enterprise Security Policy. The Enterprise Security Policy is based on industry standard best practices, policy, and guidelines and covers the following topics: web servers, email, virus prevention, firewalls, data encryption, remote access, passwords, servers, physical access, traffic restrictions, wireless, laptop and mobile devices, disposal of hardware/media, and application assessment/certification. Given that information security is an evolving technology practice, the State reserves the right to introduce new policy during the term of the contract resulting from this RFP and require the Vendor to comply with same in the event the industry introduces more secure, robust solutions or practices that facilitate a more secure posture for the State of Mississippi.

The Enterprise Security Policy is available to third parties on a need-to-know basis. The Vendor may request individual sections of the Enterprise Security Policy or request the entire document. Vendor must provide contact information (name, email address, phone number) to the State's contact person identified in Section II, Item 14.1 who will coordinate the secure delivery of the requested information.

33. **Negotiating with Next-Ranked Vendor**

Should the State cease doing business with any Vendor selected via this RFP process, for any reason, the State reserves the right to initiate negotiations with the next ranked Vendor.

34. **Disclosure of Proposal Information**

Vendors should be aware that any information in a proposal may be subject to disclosure or reproduction under the Mississippi Public Records Act of 1983, defined in Section 25-61-1 et seq. of the Mississippi Code Annotated. All disclosures of proposal information will be made in compliance with the **ITS** Public Records Procedures established in accordance with the Mississippi Public Records Act. The **ITS** Public Records Procedures are available in Section 019-010 of the **ITS** Procurement Handbook, on the **ITS** Internet site at:

<http://dsitspe01.its.ms.gov/its/procman.nsf/f4ad43bd44ad9d8c86256daa0063e1f0/bb780b5a8360c3138625765d004e4aff?OpenDocument> or from **ITS** upon request.

As outlined in the Third Party Information section of the **ITS** Public Records Procedures, **ITS** will give written notice to any affected Vendor of a request to view or reproduce the Vendor's proposal or portion thereof. **ITS** will not, however, give such notice with respect to summary information prepared in connection with the State's review or evaluation of a Vendor's proposal, including, but not limited to, written presentations to the **ITS** Board or other approving bodies, and/or similar written documentation prepared for the project file. In addition, **ITS** will not provide third-party notice for requests for any

contract executed as a result of this RFP, with the exception of information contained in contract exhibits identified and labeled as confidential during the contract negotiation process. **ITS** will provide third-party notice of requests for any such confidential exhibits to allow Vendor the opportunity to protect the information by court order as outlined in the **ITS** Public Records Procedures.

Summary information and contract terms, as defined above, become the property of **ITS**, who has the right to reproduce or distribute this information without notification.

Vendors should further be aware that requests for disclosure of proposal and contract information are sometimes received by **ITS** significantly after the proposal opening date. **ITS** will notify the signatory "Officer in Bind of Company" provided in Section I of this RFP for Notification of Public Records Requests in the event information is requested that your company might wish to consider protecting as a trade secret or as confidential commercial or financial information. If the "Officer in Bind of Company" should not be used for notification of public records requests, Vendor should provide the alternative contact information in response to this RFP item.

35. Risk Factors to be Assessed

The State will assess risk factors that may initially exist within a given procurement and that may develop over the course of a procurement process as facts become known. The State, at its sole discretion, may employ the following mechanisms in mitigating these risks: proposal bonding, performance bonding, progress payment plan with retainage, inclusion of liquidated damages, and withholding payment for all portions of the products/services acquired until final acceptance. The Vendor must agree to incorporate any or all of the above terms and conditions into the customer agreement.

36. Proposal Bond

The Vendor must include a proposal bond in the amount of \$7,500.00 with its RFP proposal. Vendor is specifically disallowed from taking exception to the proposal bond requirement. Proposals without proposal bonds will be rejected.

The security must be in the form of a bond, irrevocable letter of credit, certified check, or cashier's check (hereinafter, "security") payable to the **Mississippi Board of Nursing**, to be held by their contracting agent, the Mississippi Department of Information Technology Services, and must be placed in the front of the Vendor's proposal. The submission of an acceptable security is a condition precedent to a valid proposal, and the amount of the security is not negotiable or contestable. Any proposal received without the security will be rejected and returned to the Vendor without further consideration.

The security binds the Vendor to the commitments made in writing in the Vendor's proposal. The security will be forfeited in the event the awarded Vendor, at any time during the contract negotiation process, refuses to honor commitments made in its proposal, reneges on pricing, takes exception to any term or condition that was not addressed in the Vendor's written proposal, or fails to execute a contract as anticipated in the RFP and the Vendor's proposal, including documented exceptions, within fifteen (15) working days after the Vendor's initial receipt of the project contract from ITS, unless an extension is agreed to by ITS.

As stated in the RFP, the Vendor may take exception to any point without incurring any liability to provide items to which an exception has been taken. Likewise, the State has no obligation to accept any proposed exception. Should the State decide, at its sole discretion and at any point in the process, that an exception is NOT acceptable, ITS will reject the Vendor's proposal and return the Vendor's security.

The Vendor's security will be returned promptly after ITS and the successful Vendor have executed a contract or within ninety (90) days after opening the proposals if no letter of intent to award a contract has been sent. In the event that the successful Vendor fails to accept and sign the mutually negotiated contract, that Vendor shall be disqualified and ITS shall initiate negotiations with the next ranked Vendor until a contract is successfully negotiated, or ITS elects to cancel the procurement. The securities of all remaining Vendors will be returned when a contract has been successfully negotiated and executed, or when the procurement is canceled.

37. **Performance Bond/Irrevocable Bank Letter of Credit**

The Vendor is not required to include the price of a performance bond or irrevocable bank letter of credit with its RFP proposal.

38. **Responsibility for Behavior of Vendor Employees/Subcontractors**

The Vendor will be responsible for the behavior of all its employees and subcontractors while on the premises of any State agency or institution. Any Vendor employee or subcontractor acting in a manner determined by the administration of any State agency or institution to be detrimental, abusive, or offensive to any of the staff or student body of any State agency or institution will be asked to leave the premises and can be suspended from further work on the premises.

39. **Protests**

The Executive Director of **ITS** and/or the Board Members of **ITS** or their designees shall have the authority to resolve Vendor protests in connection with the selection for award of a contract. Copies of the protest procedures are available on the **ITS** Internet site - **ITS** Protest Procedure and Policy, Section 019-020, **ITS** Procurement Handbook at:

<http://dsitspe01.its.ms.gov/its/procman.nsf/f4ad43bd44ad9d8c86256daa0063e1f0/f227957c9c49a38a8625767900790c4e?OpenDocument> or from **ITS** upon request.

40. **Protest Bond**

Potential Vendors may protest any of the specifications of this RFP on the belief that the specification is unlawful, unduly restrictive, or unjustifiably restraining to competition. Any such protest must be in writing and submitted to the **ITS** Executive Director along with the appropriate protest bond within five (5) working days of the Official Release of the RFP, as defined in the **ITS** Protest Procedure and Policy. The outside of the envelope must be marked "Protest" and must specify RFP number 3733.

As a condition precedent to filing any protest related to this procurement, the Vendor must procure, submit to the **ITS** Executive Director with its written protest, and maintain in effect at all times during the course of the protest or appeal thereof, a protest bond in the full amount of the total estimated project lifecycle cost or \$250,000.00, whichever is less. The total estimated project lifecycle cost will be the amount used by **ITS** in the computation of cost points, as the low cost in the denominator of the cost evaluation

formula. The bond shall be accompanied by a duly authenticated or certified document evidencing that the person executing the bond is a licensed Mississippi agent for the bonding company. This certified document shall identify the name and address of the person or entity holding the protest bond and shall identify a contact person to be notified in the event that the State is required to take action against the bond. The protest bond shall not be released to the protesting Vendor until the protest is finally resolved and the time for appealing said protest has expired. The protest bond shall be procured at the protesting Vendor's expense and be payable to the Mississippi Department of Information Technology Services. Prior to approval of the protest bond, **ITS** reserves the right to review the protest bond and require the protesting Vendor to substitute an acceptable bond in such form as the State may reasonably require. The premiums on such bond shall be paid by the protesting Vendor. The State may claim against the protest bond as specified in Section 25-53-5 (n) of the Mississippi Code of 1972, as amended during the 1998 Mississippi legislative session, in addition to all other rights and remedies the State may have at law or in equity.

Should the written protest submitted by the Vendor fail to comply with the content requirements of **ITS'** protest procedure and policy, fail to be submitted within the prescribed time limits, or fail to have the appropriate protest bond accompany it, the protest will be summarily dismissed by the **ITS** Executive Director.

41. **Mississippi Employment Protection Act**

Effective July 1, 2008, Vendor acknowledges that if awarded, it will ensure its compliance with the Mississippi Employment Protection Act, Section 71-11-1, et seq. of the Mississippi Code Annotated (Supp2008), and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Vendor will agree to maintain records of such compliance and, upon request of the State, to provide a copy of each such verification to the State.

Vendor acknowledges and certifies that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Mississippi.

Vendor acknowledges that violating the E-Verify Program (or successor thereto) requirements subjects Vendor to the following: (a) cancellation of any state or public contract and ineligibility for any state or public contract for up to three (3) years, with notice of such cancellation being made public, or (b) the loss of any license, permit, certification or other document granted to Vendor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (c) both. Vendor would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit.

SECTION V PROPOSAL EXCEPTIONS

Please return the *Proposal Exception Summary Form* at the end of this section with all exceptions to items in any Section of this RFP listed and clearly explained or state "No Exceptions Taken." If no *Proposal Exception Summary Form* is included, the Vendor is indicating that he takes no exceptions to any item in this RFP document.

1. Unless specifically disallowed on any specification herein, the Vendor may take exception to any point within this RFP, including a specification denoted with "shall" or "must," as long as the following are true:
 - 1.1 The specification is not a matter of State law;
 - 1.2 The proposal still meets the intent of the RFP;
 - 1.3 A *Proposal Exception Summary Form* is included with Vendor's proposal; and
 - 1.4 The exception is clearly explained, along with any alternative or substitution the Vendor proposes to address the intent of the specification, on the *Proposal Exception Summary Form*.
2. The Vendor has no liability to provide items to which an exception has been taken. **ITS** has no obligation to accept any exception. During the proposal evaluation and/or contract negotiation process, the Vendor and **ITS** will discuss each exception and take one of the following actions:
 - 2.1 The Vendor will withdraw the exception and meet the specification in the manner prescribed;
 - 2.2 **ITS** will determine that the exception neither poses significant risk to the project nor undermines the intent of the RFP and will accept the exception;
 - 2.3 **ITS** and the Vendor will agree on compromise language dealing with the exception and will insert same into the contract; or
 - 2.4 None of the above actions is possible, and **ITS** either disqualifies the Vendor's proposal or withdraws the award and proceeds to the next ranked Vendor.
3. Should **ITS** and the Vendor reach a successful agreement, **ITS** will sign adjacent to each exception which is being accepted or submit a formal written response to the *Proposal Exception Summary* responding to each of the Vendor's exceptions. The *Proposal Exception Summary*, with those exceptions approved by **ITS**, will become a part of any contract on acquisitions made under this RFP.
4. An exception will be accepted or rejected at the sole discretion of the State.

5. The State desires to award this RFP to a Vendor or Vendors with whom there is a high probability of establishing a mutually agreeable contract, substantially within the standard terms and conditions of the State's RFP, including the *Standard Contract* in Exhibit A, if included herein. As such, Vendors whose proposals, in the sole opinion of the State, reflect a substantial number of material exceptions to this RFP, may place themselves at a comparative disadvantage in the evaluation process or risk disqualification of their proposals.
6. For Vendors who have successfully negotiated a contract with **ITS** in the past, **ITS** requests that, prior to taking any exceptions to this RFP, the individual(s) preparing this proposal first confer with other individuals who have previously submitted proposals to **ITS** or participated in contract negotiations with **ITS** on behalf of their company, to ensure the Vendor is consistent in the items to which it takes exception.

PROPOSAL EXCEPTION SUMMARY FORM

List and clearly explain any exceptions, for all RFP Sections and Exhibits, in the table below.

ITS RFP Reference	Vendor Proposal Reference	Brief Explanation of Exception	ITS Acceptance (sign here only if accepted)
(Reference specific outline point to which exception is taken)	(Page, section, items in Vendor's proposal where exception is explained)	(Short description of exception being made)	
1.			
2.			
3.			
4.			
5.			
6.			
7.			

SECTION VI RFP QUESTIONNAIRE

Please answer each question or provide the information as requested in this section.

1. **Statewide Automated Accounting System (SAAS) Information for State of Mississippi Vendor File**

- 1.1 **SAAS Vendor Code:** Any Vendor who has not previously done business with the State and has not been assigned a SAAS Vendor code should furnish a signed copy of an IRS W-9 form with the proposal. A copy of the W-9 Form can be obtained at the following link on the **ITS** website:

<http://www.its.ms.gov/Procurement/Pages/Vendor.aspx>

Vendors who have previously done business with the State should furnish **ITS** with their SAAS Vendor code.

SAAS Vendor Code: _____ OR Signed W-9 Form Attached: _____

- 1.2 **Vendor Self-Certification Form:** The State of Mississippi, in an effort to capture participation by minority Vendors, asks that each Vendor review the State of Mississippi Minority Vendor Self Certification Form. This information is for tracking/reporting purposes only, and will not be used in determining which Vendor will be chosen for the project. Any Vendor who can claim status as a Minority Business Enterprise or a Woman Business Enterprise in accordance with the definitions on this form and who has not previously submitted a form to the State of Mississippi should submit the completed form with the proposal. A copy of the Minority Vendor Self-Certification Form can be obtained at: http://www.mississippi.org/assets/docs/minority/minority_vendor_selfcertf orm.pdf. Please direct any questions about minority certification in Mississippi to the Minority Business Enterprise Division of the Mississippi Development Authority by telephone at (601) 359-3448 or via email at minority@mississippi.org.

Minority Vendor Self-Certification Form Included: _____
Minority Vendor Self-Certification Form Previously Submitted: _____
Not claiming Minority/Women Business Enterprise Status: _____

2. **Certification of Authority to Sell**

The Vendor must certify Vendor is a seller in good standing, authorized to sell and able to deliver all items and related services proposed in the State of Mississippi in the time frame specified. Does the Vendor make these certifications? (A yes or no answer is required.)

3. Certification of No Conflict of Interest

Mississippi law clearly forbids a direct or indirect conflict of interest of a company or its employees in selling to the State. The Vendor must answer and/or provide the following:

- 3.2 If the possibility of a conflict does exist, provide a list of those institutions and the nature of the conflict on a separate page and include it in your proposal. The Vendor may be precluded from selling to those institutions where a conflict of interest may exist.

4. Pending Legal Actions

- 4.2 If so, provide a copy of same and state with specificity the current status of the proceedings.

5. Non-Disclosure of Social Security Numbers

Does the Vendor acknowledge that any information system proposed, developed, or modified under this RFP that disseminates, in any form or manner, information or material that contains the Social Security Number of an individual, has mechanisms in place to prevent the inadvertent disclosure of the individual's Social Security Number to members of the general public or to persons other than those persons who, in the performance of their duties and responsibilities, have a lawful and legitimate need to know the individual's Social Security Number? This acknowledgement is required by Section 25-1-111 of the Mississippi Code Annotated.

6. Order and Remit Address

The Vendor must specify both an order and a remit address:

Order Address:

--

Remit Address (if different):

--

7. **Web Amendments**

As stated in Section III, **ITS** will use the **ITS** website to post amendments regarding RFPs before the proposal opening at:

http://www.its.ms.gov/Procurement/Pages/RFPS_Awaiting.aspx

ITS may post clarifications until noon seven days prior to the proposal opening date listed on the cover page of this RFP or the posted extension date, if applicable.

Vendors may list any questions or items needing clarification discovered in the week prior to the proposal opening in a written format at the beginning of the proposal binder or in the comment section for the individual offering.

Does the Vendor certify that they have reviewed a copy of the **ITS** amendments for RFPs as above stated? (A yes or no answer is required.)

SECTION VII TECHNICAL SPECIFICATIONS

1. How to Respond to this Section

- 1.1 Beginning with Item 2.1 of this section, label and respond to each outline point in this section as it is labeled in the RFP.
- 1.2 The Vendor must respond with "ACKNOWLEDGED," "WILL COMPLY" or "AGREED" to each point in this section. In addition, many items in this RFP require detailed and specific responses to provide the requested information. Failure to provide the information requested will result in the Vendor receiving a lower score for that item, or, at the State's sole discretion, being subject to disqualification.
- 1.3 "ACKNOWLEDGED" should be used when no vendor response or vendor compliance is required. "ACKNOWLEDGED" simply means the vendor is confirming to the State that he read the statement. This is commonly used in the RFP sections where the agency's current operating environment is described or where general information is being given about the project.
- 1.4 "WILL COMPLY" or "AGREED" are used interchangeably to indicate that the vendor will adhere to the requirement. These terms are used to respond to statements that specify that a vendor or vendor's proposed solution must comply with a specific item or must perform a certain task.
- 1.5 If the Vendor cannot respond with "ACKNOWLEDGED," "WILL COMPLY," or "AGREED," then the Vendor must respond with "EXCEPTION." (See Section V, for additional instructions regarding Vendor exceptions.)
- 1.6 Where an outline point asks a question or requests information, the Vendor must respond with the specific answer or information requested.
- 1.7 In addition to the above, Vendor must provide explicit details as to the manner and degree to which the proposal meets or exceeds each specification.

2. Mandatory Provisions in Technical Requirements for this RFP

- 2.1 Certain items in the technical specifications of this RFP are MANDATORY. Vendors are specifically disallowed from taking exception to these mandatory requirements, and proposals that do not meet all mandatory requirements are subject to immediate disqualification.
- 2.2 Mandatory requirements are those identified as "MANDATORY" within Section VII, *Technical Specifications*.

3. **General Overview and Background**

The Mississippi State Board of Nursing (MBON) is seeking a web-based Commercial-Off-The-Shelf (COTS) Nurse License Management System. MBON is a state agency charged with protecting the public through the regulation of the practice of nursing within the state. As part of its responsibilities, the Board implements the Mississippi Nurse Practice Law by issuing rules and regulations through the Administrative Code. The Board's law and code provide minimum qualifications for licensure, define fundamentals for scope of practice, and provide disciplinary processes all in the interest of public protection. The Board grants licenses to licensed practical nurses (LPNs), registered nurses (RNs), advanced practice registered nurses (APRNs), and certified clinical hemodialysis technicians (CCHTs). (The term "nurses" is used throughout the RFP to refer to all positions listed above.) MBON licenses 55,135 nurses in the state and is responsible for the collection and maintenance of data on each license.

The current licensing system has been in use since 1982. The system is obsolete making it difficult for MBON to adequately maintain data and provide required reporting. MBON is federally mandated to provide daily updates to the national NURSYS databank, as well as, regular reporting to the State Legislature. MBON is seeking a field-proven product based on current technology that will provide the ability for MBON to provide services and reporting in the most efficient manner. In addition, the proposed system must provide an integrated front-end that will provide web access for nurses to register.

MBON is organized into 3 divisions: Licensing, Discipline, and Administration. MBON desires a solution that will serve the needs of all 3 divisions; however, the functionality needed for the Licensing Division is the highest priority. The proposed solution must provide pricing by division and allow MBON to implement in a phased approach if they choose.

4. **Procurement Project Schedule**

Task	Date
First Advertisement Date for RFP	09/24/13
Second Advertisement Date for RFP	10/01/13
Vendor Web Conference	3:00 p.m. Central Time on 10/10/13
Deadline for Vendor's Written Questions	3:00 p.m. Central Time on 10/18/13
Deadline for Questions Answered and Posted to ITS Web Site	11/04/13 by 12:00 p.m. Central Time
Open Proposals	11/12/13
Evaluation of Proposals	11/12/13 - 11/29/13
Contract Negotiation	12/02/13 - 12/20/13

5. Statement of Understanding

- 5.1 Vendors may request additional information or clarifications to this RFP using the following procedure:
 - 5.1.1 Vendors must clearly identify the specified paragraph(s) in the RFP that is in question.
 - 5.1.2 Vendor must deliver a written document to Donna Hamilton at **ITS** by Friday, October 18, 2013 at 3:00 p.m. Central Time. This document may be delivered by hand, mail, email, or fax. Address information is given on page one of this RFP. The fax number is (601) 713-6380. **ITS WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF QUESTION DOCUMENTS.** It is solely the responsibility of the vendor that the clarification document reaches ITS on time. Vendors may contact Donna Hamilton to verify the receipt of their document. Documents received after the deadline will be rejected.
- 5.2 All questions will be compiled and answered, and a written document containing all questions submitted and corresponding answers will be posted on the **ITS** web site by 12:00 p.m. Central Time on Monday, November 4, 2013.
- 5.3 A Vendor Web Conference will be held on Thursday, October 10, 2013 at 3:00 p.m. Central Time for any Vendor who intends to submit an RFP response.
 - 5.3.1 To access the Vendor Web Conference, Vendor must contact Donna Hamilton via email no later than 3:00 p.m. Central Time, Wednesday, October 9, 2013, to receive instructions on how to enter into the web conference.
- 5.4 The intent of the conference is to assist Vendors in preparing their response to this RFP by providing additional information and clarifications necessary to understand the scope of this project. Vendors should familiarize themselves with this RFP prior to attending the Vendor's Conference and should come prepared to ask questions.
- 5.5 The Vendor must carefully detail the manner and degree by which the proposal meets or exceeds each specification. Vague or inconclusive responses will be judged as non-responses within the context of this evaluation.
- 5.6 The State deems performance of the Vendor on existing contracts and support after the sale to be of critical importance. Therefore, in the evaluation process for contract award of this RFP, Vendors with good performance ratings on existing accounts will be at a decided advantage, while Vendors with poor performance ratings will be at a decided

disadvantage or be subject to disqualification at the discretion of the State.

- 5.7 The Vendor must understand and provide information in his response to support a deliverable-based project. The Project Work Plan and the Cost Information Summary should define and denote milestones and deliverables, both paid and unpaid, for the entirety of the project.
- 5.8 The Vendor must provide all software components and implementation services (data conversion, installation, training, support and other services) with sufficient knowledge transfer to MBON personnel as necessary for turnkey implementation of the proposed solution.
- 5.9 MBON will be responsible for acquiring the appropriate hardware and equipment necessary to support the License Management System based on the technical architecture and infrastructure design developed by the awarded Vendor. The environment will be hosted in the State Data Center located in Jackson, Mississippi.
- 5.10 ITS requires a Commercial Off the Shelf (COTS) approach to this procurement, placing strong emphasis on acquiring a field-proven, mature product with a good client base from an experienced Vendor. Although the Vendor should be prepared to customize the proposed system to meet the requirements detailed in this RFP, MBON is not anticipating a major customization effort. The solution will be selected based on overall closeness of fit with MBON operations, requiring the least amount of system customization.
- 5.11 While a mature, field-proven product is being sought, MBON also requires a system that is not at the end of its product life cycle and that also reflects the best practices of the industry. Additionally, the technology platform (database engine, operating platform, etc.) for the proposed product must not be at the end of its life cycle.

6. Vendor Qualifications

The Vendor must provide a description of his organization with sufficient information to substantiate proven expertise in the products and services being requested in this RFP for all phases of the project. Vendor must address each of the elements specified below.

- 6.1 The Vendor must disclose any company restructurings, mergers, and acquisitions over the past three (3) years.
- 6.2 The Vendor must specify the location of the organization's principal office and the number of executive and professional personnel employed at this office.
- 6.3 The Vendor must state the number of years the Vendor has been providing the products and services being proposed.

- 6.4 The Vendor must specify the organization's size in terms of the number of full-time employees, the number of contract personnel used at any one time, the number of offices and their locations, and structure (for example, state, national, or international organization).
- 6.5 The Vendor must specify the Vendor's relationship to any parent firms, sister firms, or subsidiaries.
- 6.6 The Vendor must provide the name and the state of incorporation, if incorporated.
- 6.7 The Vendor must describe the products and services being provided and the stage of development of those products and services.
- 6.8 The Vendor must indicate the number of clients for which his company is currently providing maintenance and support. Discuss the geographic distribution of these clients.
- 6.9 The Vendor must provide a copy of their company's most recent annual report, including consolidated balance sheets and related statements of income, stockholders' or partners' equity and changes in financial position, for each of the three (3) fiscal years preceding the end of the most recent fiscal year. The financial information listed above should be compiled, reviewed, and/or audited by a Certified Public Accountant.
- 6.10 Vendor must provide an organizational chart identifying all personnel proposed for this project.
- 6.11 Vendor must provide a resume for each of their staff members participating on this project. Resumes must reflect qualifications and recent experience relevant to the scope of the work indicated in this RFP. Resumes must include at least three (3) references that can be directly contacted to verify the individual's qualifications and experience.
- 6.12 Vendor must ensure that each staff member assigned to this project has the ability to communicate clearly in the English language both verbally and in written form.
- 6.13 Vendor must disclose if any of the personnel proposed for this project are independent consultants, subcontractors, or acting in a capacity other than an employee of the Vendor submitting the proposal.
- 6.14 **MANDATORY** – At least one (1) of the Vendor's references, as outlined in Section IX of this RFP, must identify a public entity (city, state, province or country) in which the Vendor has implemented a Nurse License Management System for an entity similar to the Board of Nursing that includes the modules listed in this RFP. Please include the name, title, telephone number and e-mail of a contact person in the state or province named.

- 6.14.1 Preference may be given to Vendors with more than one (1) successful similar public entity installation. (Note: A proposing Vendor must have a successful installation of a Nurse License Management System in at least one state or province in order to be eligible for consideration.)

7. Project Management

- 7.1 Vendor must commit a dedicated Project Manager for the duration of the project implementation subject to the terms of the Attachment A, Software License and Application Service Provider Agreement, Article 44 Personnel Assignment Guarantee. The Project Manager must have sufficient prior experience to address the specifics of this project. Vendor must include details to substantiate this experience.
- 7.2 The Project Manager must be named in the Vendor's RFP response and must be available for interview by the MBON as part of this RFP evaluation.
- 7.3 Vendor must submit, as a part of this proposal, a high-level Project Work Plan that outlines the overall strategy and approach to providing the requested System and services. The Plan must contain all significant work steps required for provision of the requested services. Timeframes must be specified in terms of work days or weeks after contract signing. The Plan must include the elements listed below.
 - 7.3.1 The Plan must incorporate all tasks to be accomplished;
 - 7.3.2 The Plan must address all project deliverables, including implementation, acceptance testing, schedule for actual testing and go-live date;
 - 7.3.3 The Plan must include resource estimates for both the Agency and Vendor timelines; and
 - 7.3.4 The Plan must address assumptions that the Vendor has made based on the information rendered in these specifications.
- 7.4 Upon contract award, the Vendor's Project Manager must work with the Agency to develop a more detailed Project Work Plan to guide the System's implementation.
- 7.5 The Vendor must describe his change order and staffing strategy under the following circumstances.
 - 7.5.1 The Vendor must describe his change order and staffing strategy when a customer requires additional functionality that may be within the capability of the proposed system's existing programming, after the initial system acceptance.

- 7.5.2 The Vendor must describe his change order and staffing strategy when a customer requires additional functionality that may require modification of the proposed system's programmed code and/or the addition of new programming, after initial system acceptance.

8. Functional Requirements

MBON's functional requirements address the licensing of nurses for the Licensing Division, the disciplinary activities of the Discipline Division, and the accounting/office support of the Administrative Division. While all divisions will greatly benefit by more complete automation of their operations, MBON's priority lies in improving licensing operations. The Vendor must fully address these licensing requirements. Vendors must propose a complete solution but furnish separate pricing for each module.

- 8.1 The System must possess the flexibility to enable MBON to implement statutory, policy and operational changes inherent in their dynamic regulatory and customer service environment with ultimate ease and at least cost.
- 8.2 The System must possess flexible query and reporting capabilities for ad hoc, on-demand and cyclic information access and presentation.
- 8.3 The System must introduce and promote enhancements to staff productivity by eliminating duplicate data entry and minimizing paperwork. The System's ability to perform electronic license renewal over the web, track receipts, and track license applications to completion, are among the productivity benefits anticipated by MBON.
- 8.4 The System must be extremely user-friendly with onscreen help and tutorial features.
- 8.5 The Vendor must offer competent, experienced consulting services to analyze the MBON's current system, including database, business rules, forms, data entry/inquiry screens and reports; and effectively map them into the replacement system.
- 8.6 The proposed solution must provide the ability to monitor record updates to support detailed auditing of system usage. Record all data changes, updates, deletions, record dissemination, record access, billing changes, etc., including the time the change occurred and the identifiers of user and workstation or batch utility. The file containing this audit data must be secure and restricted to a few specified access profiles
- 8.7 The Vendor must propose a Licensing System and services that will provide the following levels of automation:
 - 8.7.1 Implement a system workflow to address each step in the registration, license issuance and renewal process for nurses.

- 8.7.2 Incorporate existing and additional (as needed) business rules for registration, license issuance and renewals to include the following examples:
 - 8.7.2.1 Advanced Practice Registered Nurses must be linked to a facility record where employed.
 - 8.7.2.2 Advanced Practice Registered Nurses may be employed at multiple locations (part-time).
- 8.7.3 A change in a licensee's name, address or place of employment will result in a registration and/or license having to be updated at established fees.
- 8.7.4 The license term for RNs and LPNs is two years. RNs renew on even years and LPNs renew on odd years during the registration period, October 1st through December 31st of each year. Newly issued licenses which do not coincide with the registration period shall be valid for the current renewal period
- 8.7.5 Design and deploy data capture/inquiry screens, web forms and reports to complement registration, license issuance and renewals, as well as, entry of disciplinary data.
- 8.7.6 Include automation of office processing to enable staff to handle all registration and renewal applications received through the mail.
- 8.7.7 Implement a tracking mechanism for license registration and renewals that will enable Board staff to account for all applications and enable staff to follow-up on all requests for feedback on those incomplete filings that the staff has held, pending resolution by applicants.
- 8.7.8 Verify and post National Council Licensure Examination (NCLEX) scores to the applicant's file.
- 8.7.9 Electronically incorporate a color-imaged, passport style, photograph within the licensee record. For historical purposes the license record should retain the most recent photographs whenever a replacement is made.
- 8.7.10 Programmatically screen license applications using a unique identifier to eliminate the chance of issuing multiple licenses to the same individual who may have had a name change.
- 8.7.11 Maintain statuses in the license record to indicate the following conditions: pending, active, inactive, withdrawn, surrendered, flagged, revoked, deceased, on-hold, administrative hold, on probation, denied, closed, suspended, expired and disciplined. Status elements in each license record must have corresponding

calendar date elements to reflect: inception, hearing, cleared and other status dates, together with ample space allocated for associated textual documentation.

- 8.7.12 Incorporate appropriate historical components into license records where applicable to reflect licensing, renewal and compliance activity over time.
- 8.7.13 Create email pushes of renewal notifications to license and permit holders' email addresses.
- 8.7.14 The proposed solution must be configured to use a smart host to send emails.
- 8.7.15 MANDATORY - Implement electronic licensing (new and renewal) on the web for all valid license holders of all license classifications.
- 8.7.16 Make all licensing forms available from the Board web site and offer registered customers the ability to download any of these forms as an alternative to online renewal.
- 8.7.17 Programmatically prevent any license from being renewed in the event a record has been flagged by a disciplinary or other related suspense indicator.
- 8.7.18 The proposed solution must provide the ability to capture data pertinent to disciplinary activity and update the associated records.
- 8.7.19 Data capture/inquiry screens, web forms and reports must be designed and deployed to facilitate disciplinary activities. It is highly desirable for staff to be able to manipulate presentation of these media when necessary.
- 8.7.20 The awarded Vendor must work with MBON to analyze the business rules associated with disciplinary actions and incorporate these rules.
- 8.7.21 The system must provide the ability for MBON to retain discipline files for 5 years.
- 8.7.22 The Vendor must propose the software and services for automation of the organizational functions of the Administrative Division.

8.8 Website

- 8.8.1 MBON is pleased with their current website which has recently been redesigned. MBON's website address is: <http://www.msbn.ms.gov/Pages/Home.aspx>.

- 8.8.1.1 The Vendor may choose to use the existing website as the user interface for functionality requested by RFP No. 3733, such as submitting online applications, or the Vendor may propose to provide the requested functionality via a new web interface.
- 8.8.1.2 Vendor must fully describe the approach being proposed for either integrating with the existing MBON website or implementing a new website to provide the Licensing functionality.
- 8.8.2 The Vendor must propose a licensing system and services that will enable MBON to accomplish the following automation tasks related to web-based licensing renewal, fee payments, receipting and accounting. Web-based renewals must specifically include the following features and functions:
 - 8.8.2.1 The proposed system must provide adequate screen dialog and feedback to guide users through each step in the web renewal process.
 - 8.8.2.2 Users must be able to create an account, log-in and access their license data and the desired renewal form.
 - 8.8.2.3 System must validate user log-ins and passwords.
 - 8.8.2.4 System must provide users with emailed verification of forgotten user-IDs or passwords.
 - 8.8.2.5 In the case of a record that has been flagged by Board staff and is in suspense or other designated classification, a message should be generated on the user's screen stating this license may not be renewed online and for the user to contact the Board office for further information.
 - 8.8.2.6 Required fields must be identified during System Design which will be displayed and not be available for editing. For example, a user's license number may not be changed.
 - 8.8.2.7 If the license has not been renewed within given periods, which differ for each license type, staff must be able to flag it in the system so it cannot be renewed online. The customer must be alerted accordingly.
 - 8.8.2.8 Provision must be made in the renewal process/record for nurses to certify online that continuing education requirements have been fulfilled for the period.

- 8.8.2.9 Record conditions should be set in the web-based renewal form which will prohibit online filing when entered and met by the applicant. Examples include individuals indicating a felony conviction or individuals not having renewed a license in the past two (2) years. The System must track these prohibitions and rejections to ensure the same candidate does not return and attempt to file a subsequent application that falsifies screening information that resulted in the original online lock-out.
 - 8.8.2.10 When all renewal information has been entered by an applicant, an electronic verification must be initiated with immediate feedback to the user for any information entered that cannot pass verification.
 - 8.8.2.11 Upon the electronic verification of the data, the system should assess the online fee based on license type and date of renewal, together with any applicable late fee.
 - 8.8.2.12 Once the renewal application portion of the transaction is complete, the user must be routed to the Mississippi Interactive, Mississippi's official payment processor.
 - 8.8.2.13 At the end of the electronic transaction the Licensing System must issue an appropriate screen acknowledgement to the customer.
- 8.8.3 Accept e-payments for web-based renewals.
- 8.8.3.1 MANDATORY - The proposed solution must use the State's electronic payment processor for processing payments by credit cards, charge cards, debit cards, electronic check, and other forms of electronic payment. Additional technical details for this interface can be found in Attachment B, Mississippi Payment Processing and Attachment C, Final Rule.
 - 8.8.3.2 MANDATORY - The license system must validate renewal information, collect payment information and pass the payment data to the state's payment system. The payment system validates the payment and creates an interface to the agency's SAAS accounting records.
 - 8.8.3.3 MANDATORY - The license system must ensure that the payment information collected meets all industry standards for security of electronic transactions, including PCI.

9. Data Conversion Requirements

- 9.1 The following information is provided to assist Vendors in assessing the conversion effort required for the current solution:

Database: Informix version 9.5 (Enterprise Linux Based DBMS)
Tiny Terms Emulator using ISQL forms, menus, and report writer
Current Operating System: Slackware Linux Version 13.2
Number of Records: <ul style="list-style-type: none"> • RN Master File : 82,255 • LPN Master File: 38,664 • CHT TECHS Master File: 543 • APRN Site/License File: 119,905 • Other Files not counted
Number of Tables: 81 tables in database, approximately 25 are current files including Masters

- 9.2 The Vendor must develop in conjunction with MBON staff a written Conversion Plan to transfer existing data to the new system. This plan must clearly identify in detail the responsibility of the Vendor and the State in regards to all steps, tasks, activities, events, milestones and resources necessary for the conversion process
- 9.3 The Vendor must design, develop and implement any automation to be used in conversion. The Conversion Plan must detail the design, development and test procedures for all electronic conversion programs and scripts required to transfer data from the current systems to the new system. The plan must include tasks to convert all electronic and manual data. It must address methodology, timing and handling of exception conditions and validation techniques and be approved by MBON.
- 9.4 It will be the Vendor's responsibility to complete the successful conversion of the existing data prior to QA/Acceptance testing.
- 9.5 Vendor should propose a not-to-exceed price for the conversion effort. Cost should be included in Section VIII: Cost Information Submission.
- 9.6 MBON will be solely responsible for sanitizing the existing data. Additionally, MBON will bear sole responsibility for providing all manual data entry required to provide a fully functioning system.
- 9.7 The Vendor must provide a means to populate any new data elements into the new system in as automated a fashion as possible. MBON will

be responsible for populating any new required system data elements that do not exist in the current MBON system.

- 9.8 The Vendor must provide statistical reports with record counts to show where data are imported from and where it now resides to enable MBON to verify that the desired results have been achieved. MBON will be responsible for the quality and integrity of the existing system data to be used in the conversion process.
- 9.9 The Vendor must provide all programs required to interrogate existing MBON data files and to identify conversion issues and missing data elements required for the new system.
- 9.10 The Vendor must submit formal Conversion Test Results for MBON to view and approve prior to the final file conversion. MBON will be responsible for the manual analysis of data from the existing system prior to using that data for the new system.
- 9.11 The Vendor must provide as a component of data conversion, a data entry mechanism to capture historical data that currently exists on paper or cards only.
- 9.12 The Vendor must provide a means of identifying records that are converted from current legacy systems and imported into the new system.

10. Interfaces

The proposed solution must provide the ability to interface with the following applications:

- 10.1 Mississippi Interactive (MSI)
- 10.2 iSynergy (database for scanned documents)
- 10.3 Criminal Background Check
- 10.4 NURSYS
- 10.5 Pearson Vue
- 10.6 State Agencies (DFA, Board of Medicine)
- 10.7 Escripts

11. Reporting

- 11.1 The proposed system must possess a versatile, easy-to-use report generator.

- 11.2 The proposed system must have a versatile, easy-to-use query facility. The staff needs the capability to search for a licensed nurse using any record element or combination of elements as the criteria.

12. Security and Accessibility Technical Requirements

Vendor must fully describe the manner and degree by which they meet the following minimum specifications.

- 12.1 The proposed System must prevent unauthorized access to the system and must allow the System Administrator to determine which modules users may access.
- 12.2 The proposed System must provide functionality that supports the assignment of security levels globally, by group and individual user.
- 12.3 The proposed System must allow the System Administrator to set rights for access, modification, addition, and deletion of records and fields by individual user or group.
- 12.4 Vendor must detail the password rules and standards provided in the proposed solution. Vendor must describe how many and what type characters are required for the creation of a valid password, password aging, and password lockout. System must furnish user prompts and routines in the event of forgotten login information. In addition, describe the ability of the system to allow limits to be set for timing-out inactive user sessions.
- 12.5 The proposed System must allow external users to create their own user IDs and passwords as well as functionality for users to manage their password.
- 12.6 The proposed System must allow certain information, such as license verification, to be viewed by the general public over the Web. This functionality requires the user to have the nurse's license number and requires payment.
- 12.7 The proposed System must possess ADA and W3C compliant user interfaces, subject to the RFP Section IV, Legal and Contractual Information, Item 27 Americans with Disabilities Act Compliance for Web Development and Portal Related Services.
- 12.8 The proposed System must operate behind the State of Mississippi's ITS firewall subject to network security requirements enumerated in the RFP Section IV, Legal and Contractual Information, Item 32 Remote Access via Virtual Private Network.

13. System Logging and Auditing Requirements

Vendor must furnish details about the proposed approach to satisfy each of the following implementation requirements.

- 13.1 The proposed solution must provide logging and audit reporting of all system user and administrator activity.
- 13.2 The proposed solution must log and provide an audit trail across all functions by associating a user ID and date/time stamp with all additions, changes, and deletions throughout the system.
- 13.3 The proposed solution must support the creation of history logs which must be accessible by the Systems Administrator via reporting and query access.
- 13.4 It is highly desirable that the proposed solution support monitoring of data entry transactions and statistics for purposes of measuring staff productivity.

14. **System Implementation Requirements**

Vendor must furnish details about the proposed approach to satisfy each of the following implementation requirements.

- 14.1 The Vendor must specify the minimum and recommended PC workstation and browser specifications necessary for the Agency and public end-users to access the System as proposed. Neither Agency nor public user workstations should require special client software.
- 14.2 Vendor must identify the maximum number of concurrent users and describe the maximum system load that the system will support.
- 14.3 Vendor must perform sufficient analysis of the Agency's operations to ensure that all necessary business rules, data edits, tables, forms, screens, web pages, documents and reports are designed and incorporated into the System.
- 14.4 Vendor must migrate all existing records to the proposed System.
- 14.5 Vendor must propose the manner in which cutover will be handled for the proposed System. Cutover should be devised in such a way as to minimize the impact on the Agency's daily operations.
- 14.6 Vendor must work with the Agency staff to devise a suite of test and use cases, and test data necessary to prove the performance of the proposed System. This suite must include final acceptance testing criteria.
- 14.7 The Agency and ITS will conduct acceptance testing of the System once the System is made available for use to the Agency and all training is completed.
- 14.8 The Vendor must participate in the acceptance testing of the System by providing technical staff on-site for assistance in demonstrating the functions of the installed System. The Agency must be in a position to demonstrate that the System is operational to ensure that proper training

has been received and sufficient knowledge transfer has been accomplished.

- 14.9 The Vendor must agree to and allow for a final acceptance testing period of up to thirty (30) business days from the initiation of acceptance testing and correction of any deficiencies reported by the State.
- 14.10 Acceptance testing is finished when the Agency has successfully completed all acceptance test criteria defined in the testing suite as defined by the Agency; and all critical defects have been corrected by the Vendor and successfully re-tested by the Agency and operated without error or defect for the thirty (30) day acceptance period.
- 14.11 Acceptance testing shall not in any way relieve the Vendor of their responsibilities to correct any defect identified during the warranty period.
- 14.12 The State reserves the right to reject the System after the third unsuccessful test of any module of the System.

15. Support Requirements

- 15.1 Vendor must respond by telephone within one (1) hour to requests for support services. The Agency must be given priority placement in the support queue for all System locking situations or problems claimed by Agency to be a mission critical process.
- 15.2 Upon receipt of the Agency's call, Vendor must create a trouble ticket, assign a severity level and attempt to resolve the System problem in accordance with the procedures and processes for problem resolution detailed below. The Agency and Vendor must mutually agree on whether a problem is classified as a Severity Level 1, 2, or 3 problem.
 - 15.2.1 Severity Level 1 implies that the System is not functioning. Some examples of Severity Level 1 System problems are: System is down and will not restart; or System is not able to communicate with external systems or users; or System is generating a data corruption condition.
 - 15.2.1.1 Vendor must resolve Severity Level 1 System problems within one (1) business day, or within a mutually agreed upon time frame.
 - 15.2.2 Severity Level 2 implies that an essential function does not work as documented, or testing and usage can continue but the task cannot be completed, and no workarounds exist.
 - 15.2.2.1 Vendor must resolve Severity Level 2 System problems within two (2) business days, or within a mutually agreed upon time frame.

15.2.3 Severity Level 3 implies a System problem such that implementations of functions do not match specifications and/or technical documentation, and a workaround may exist.

15.2.3.1 Vendor must resolve Severity Level 3 System problems within ten (10) business days, or within a mutually agreed upon time frame.

16. State Infrastructure and Network Requirements

16.1 Vendor must prepare and submit a network design document that addresses security and infrastructure requirements including minimum speed and maximum latency required to access the application.

16.2 The proposed schedule/plan must allow the State a maximum of three (3) months to acquire any equipment, etc, and to prepare a network design to meet the minimum capacity requirements requested by the awarded Vendor.

16.3 Platform Requirement

16.3.1 The proposed solution must reside on equipment in the Primary (Eastwood) and Secondary (Robert E. Lee) ITS State Data Centers. The Vendor can find details on the platform domain for the ITS State Data Center in the Infrastructure and Architecture plan located at the following address:

<http://www.its.ms.gov/Services/Documents/InfrastructurePlan.pdf>

16.3.2 State Data Center

The following information provides an overview of the ITS State Data Center.

Physical Facility Attributes:

- Facility is designed to withstand an F4 Tornado (200 MPH).
- Two diversely routed power feeds supporting the facility.
- Two 1.5 MegaWatt generators are dual-fueled for diesel and natural gas. Generators crank on diesel and mix with natural gas to extend run time between diesel refills for to up to 5 days.
- Facility currently has an 8,000 gallon diesel tank with a 10,000 gallon tank to be added in the near future.
- Three 3-ton chillers to support cooling requirements within the facility. Two chillers are active at all times and systems are rotated from active to inactive for maintenance or repairs.
- Facility has a 40,000 gallon in-ground water tank to

support the chillers regardless of city water pressure. The system will refill from city supply when pressure is available or there is a refill inlet for a National Guard water tanker refill.

- Generators and cooling systems are housed in the protected facility.
- Living facilities in-house to support a critical operations team living and working for several days, including 2,000 gallons of water inside the building for drinking/cooking.
- Environmental systems are monitored and controlled by Johnson Control Infrastructure Computer System.
- Security systems including card and biometric access and security cameras posted throughout the facility and grounds.
- Intelligent system for fire alarm and suppression.
- Intelligent system for water detection and notification.
- The Command Center is the computer control and call center for the state voice and data network infrastructure as well as all mainframe and open systems platforms hosted in the facility. The Command Center utilizes industry standard ITIL best practices for change management and customer service/support.
- This facility is a 24 x 365 operation, including 24 x 365 armed security guards, 24 x 365 full operations staff, and technical engineers on call for urgent after-hours issues.
- The State owns and manages a 196 strand diversely routed fiber network connecting over 40 state agencies to the State Data Center.
- The State has re-purposed the Robert E. Lee Data Center facility to provide additional computing resources. This secondary facility incorporates power backup, added cooling capacity, highly reliable power, and full access to the fiber network providing additional capacity and redundancy for the primary State Data Center.

State Data Center Services

Systems:

- Computing power in the State Data Center includes 3 enterprise mainframe computers, over 700 virtual servers, 4 major database subsystems, and over 140 TB (Terabytes) of online, high performance storage.
- The ITS virtual infrastructure is based on VMware version 5.1 and 5.5. The servers are configured in clusters with the ability to move virtual guests from one physical host server to another. Storage is delivered via a fiber channel SAN or an Ethernet NAS according to need. Operational backup is provided by agentless snapshot to disk based storage. Automatic patching is available for Microsoft

operating systems via a Windows Update Server. Agent based virus protection is available from Symantec with a local signature server. The database subsystems supported are Microsoft SQL Server, DB2 UDB, Informix, and ADABAS.

- Support approximately 100 system software products.
- Provide assistance with the installation of application systems.
- Provide backup and recovery systems.
- Provide disaster recovery facilities and disaster recovery planning guidance.
- Provide database configuration and administration.
- Perform enterprise performance monitoring for systems.
- Manage the high availability virtual switching architecture that supports the virtual servers and storage systems.

Security:

- Support multiple perimeter and Data Center firewall implementations.
- Manage access control systems that utilize single-use, one-time passwords, and two factor authentication to enforce access and authentication policies for Data Center infrastructure.
- Support multiple perimeter and Data Center Intrusion Prevention Systems (IPS) implementations.
- Support Virtual Private Network (VPN) for connectivity to the State Network from any entity that resides outside the State Network.
- Maintain security management and reporting system to monitor IPS events, firewall logs, and VPN concentrator logs for potential security threats.
- Perform multiple information security assessments on the ITS Data Center infrastructure and systems annually.
- Provide virus protection and SPAM filtering via enterprise messaging services.

16.3.3 Vendor must describe in detail the following:

16.3.3.1 Recommended virtual servers and storage needed to accommodate the proposed solution in the Primary (Eastwood) and Secondary (Robert E. Lee) State Data Centers including the capacity of equipment needed to run the proposed solution in a shared environment. Recommendations should not include references to specific manufacturers or cost; and

16.3.3.1.1 Any additional hardware not related to the virtual server or storage that is required for the Vendor's proposed solution must

address the configuration of the VM guest with required vCPUs, RAM, storage size, and storage performance requirements in IOPs as measured by SQLio utility.

- 16.3.3.2 Recommended software needed in conjunction with the proposed application. Recommendation should not include references to cost for operational software (i.e. Windows Server license, Database licenses, VMWare licenses). At the State's option, the Vendor may be required to support the State's configuration of the software for the proposed solution. Vendor must provide a phased implementation schedule for supporting infrastructure necessary for the application.
- 16.3.3.3 Vendor must provide a phased implementation schedule for supporting infrastructure necessary for the application.
- 16.3.3.4 Vendor must explain how their proposed solution will work with an agent-less anti-virus check within a VMware environment.

16.3.4 Network Infrastructure

- 16.3.4.1 The Wide Area Network infrastructure that supports data connectivity for remote offices around the State is provided under a long term contract with AT&T. The transport technology is Multi-Protocol Label Switching (MPLS) which provides agencies with a secure, redundant, high performance network designed to support traditional and real-time applications. Access to the Internet and state resources located at agency headquarters and the two state data center buildings is provided through two diverse MPLS 10B connections, each protected by AT&T's SmartRing technology with failover capabilities. A variety of access speeds is available under the State contract to support the agency's needs.
- 16.3.4.2 The core Data Center Network and Capitol Complex Fiber Network are enterprise infrastructure components that support high speed data, voice, and video connectivity for all major state government buildings in the Capitol Complex, the Education and Research (E&R) Complex, as well as state government buildings located along the two diverse fiber paths between the two core network hubs. ITS manages and maintains both of these state owned networks with the intent to provide redundant, resilient, and secure high

performance access to the State Data Centers, the statewide Multi-Protocol Label Switching (MPLS) data network, commodity Internet, and other state network resources. The Data Center Network and the Capitol Complex Fiber Network architectures are built around Cisco's Virtual Switching System (VSS) and Virtual Port Channel (VPC) technologies, which significantly improves performance and reliability for application delivery. Paired electronic devices, consisting of firewalls, switches, routers, and IPS's, are geographically separated, but logically integrated to provide failover capabilities. The Mississippi Board of Nursing utilizes an MPLS T1 for access to resources in the State Data Center. A variety of access speeds is available within the Capitol Complex fiber network to support the agency's application needs. Please see Figure 1.

- 16.3.4.3 Logical servers are created as guest in the VMware cloud and attached to the data center network utilizing Cisco's Nexus switching architecture. The Nexus switches are configured for full redundancy with paired Nexus 7000 switches at the core. Multiple Nexus 5000 switches attach downstream from the Nexus 7000 core switches. Nexus 2000 Fabric Extenders attach downstream from the Nexus 5000 switches to provide server and storage connectivity. All switches are connected by multiple fiber paths utilizing Virtual Port Channels (VPCs). All Nexus switches run the latest version of NXOS. Physical servers within the Data Center support a "teaming" connection configuration to the two separate Nexus 2000 Fabric Extenders. Teaming is defined as two or more separate connections aggregated into one logical connection. Link Aggregation Control Protocol (802.3ad) is the aggregation protocol required for this environment. (Please reference Figure 2 for the Nexus switching topology.)

FIGURE 1

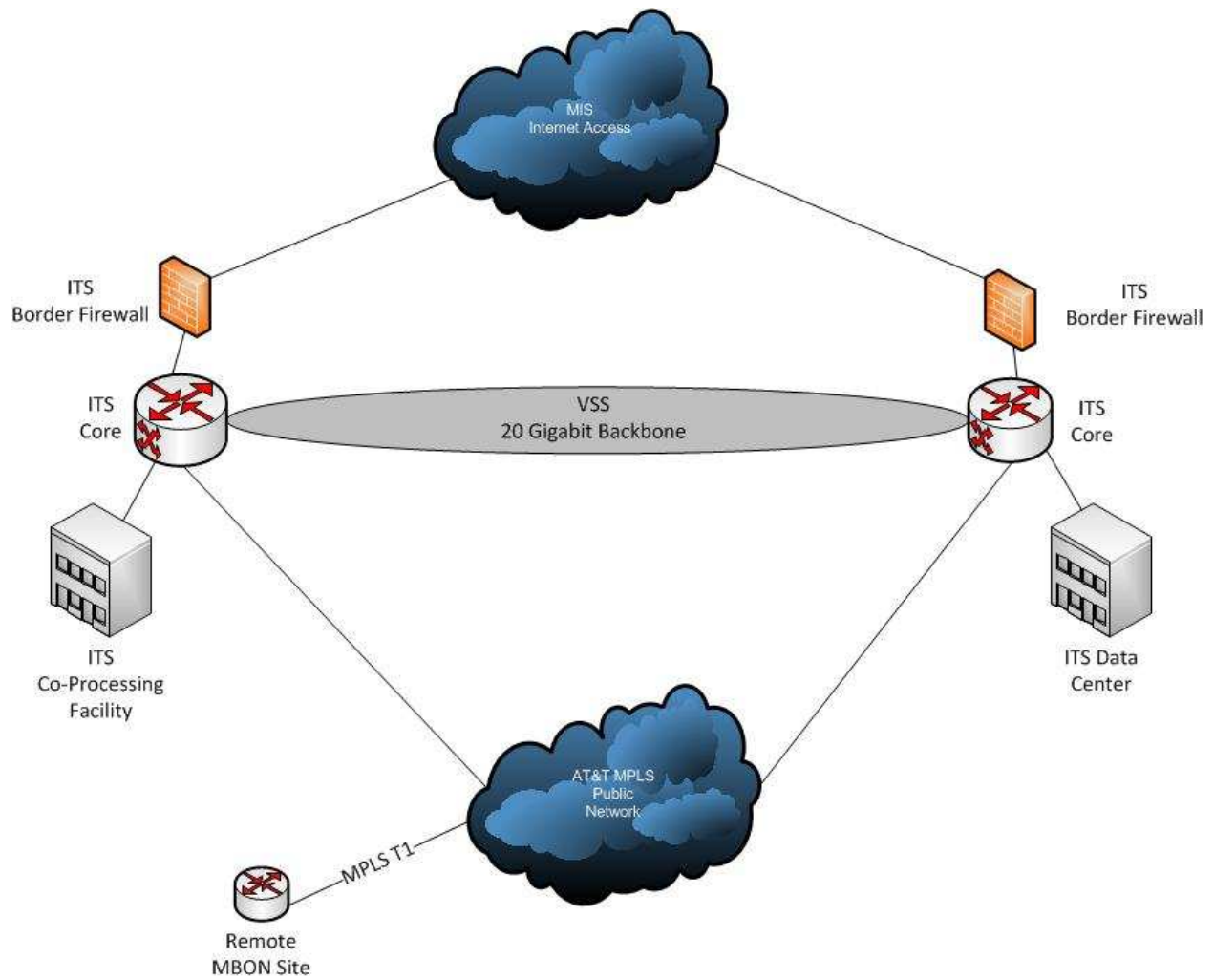
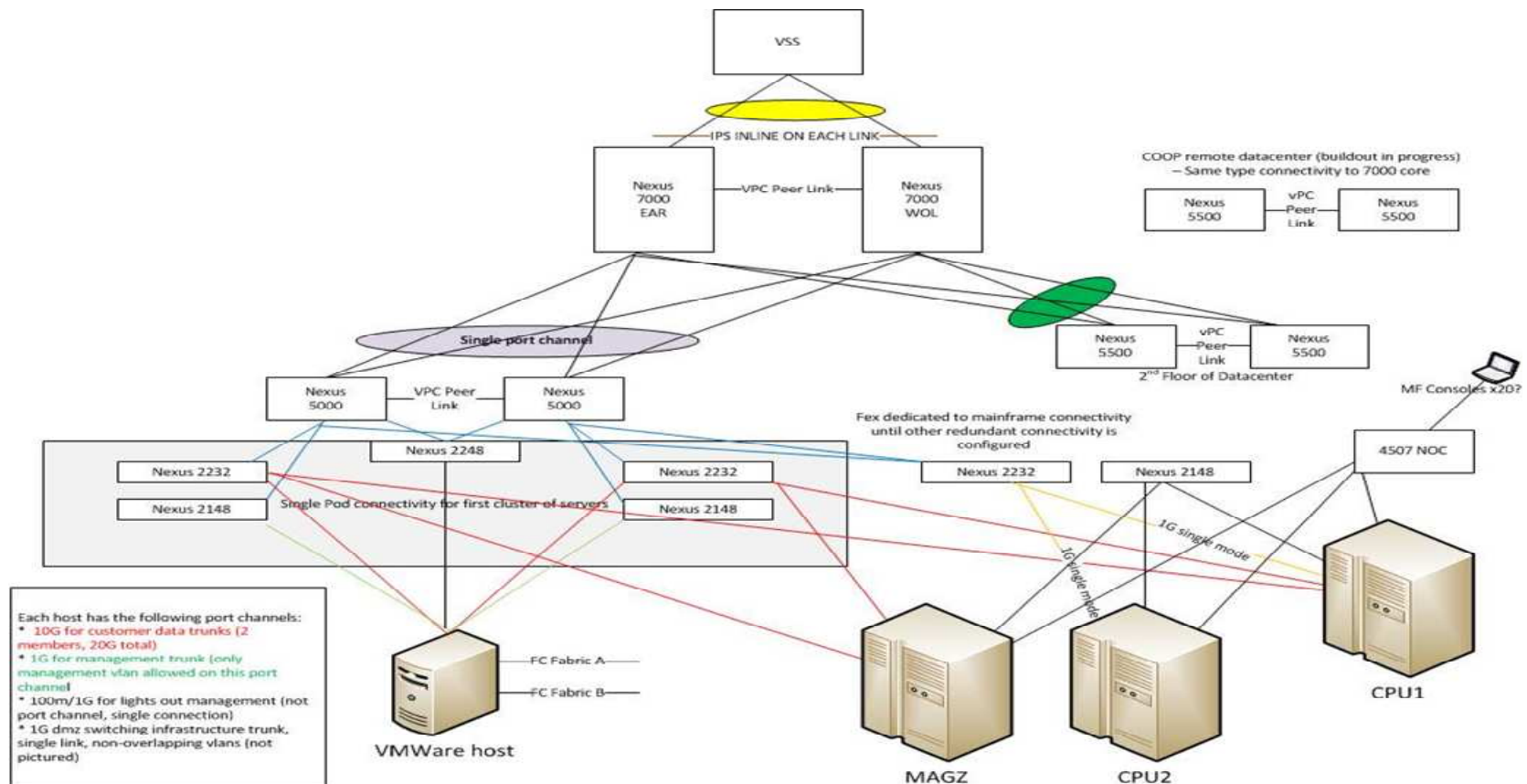


Figure 2 State Data Center Nexus Environment



16.4 Network Communication/Security Requirements

16.4.1 The current network environment is described in Item 16.3.2 of this section. The proposed solution must be able to operate within the existing network structure. The Vendor can also find details on the State Network domain in the Infrastructure and Architecture plan located at the following address:

<http://www.its.ms.gov/Services/Documents/InfrastructurePlan.pdf>

16.4.2 The proposed solution must meet or exceed the following minimum requirements:

16.4.2.1 Applications must not run any service or program as user root, super administrator, super user, administrator, or supervisor. Only sufficient rights as needed to run the service or program shall be assigned to the running sign-on.

16.4.2.2 All web applications being contacted through the Internet will interact with a reverse proxy for this access. Production applications requiring proxy services must also use proxy access for Development environments.

16.4.2.3 The IP of origin for all elements communicating with these applications must be identified and submitted along with the list of ports on which the application will be accessed.

16.4.2.4 All components of the proposed solution must adhere to the State Security Policy. This policy can be found at the following:
<http://www.its.ms.gov/Services/Pages/ENTERPRISE-SECURITY-POLICY.aspx>.

16.4.2.5 All authorization credentials or sensitive information related to the proposed solution must follow the encryption guidelines of the Enterprise Security Policy.

16.4.2.6 During the design phase, prior to any implementation work, all TCP/IP ports must be identified for all communicating parts of the applications. Any ports not identified and opened specifically will be blocked by default.

16.4.2.7 Inbound connections from the Internet will be restricted to only ports TCP 80 and TCP 443, for only HTTP and

HTTPS protocols. No other inbound-initiated ports will be allowed to servers residing on the State Network unless entering the state network over a VPN.

- 16.4.2.8 Security assessments must be performed for all components of the proposed solution when an application is modified or updated before moving to production.
- 16.4.2.9 Vendor must fully detail the firewall requirements for the proposed applications.
- 16.4.2.10 Vendor must fully detail and diagram traffic patterns of all applications across all network segments.
- 16.4.2.11 Vendor must support OS and application security patches in a timely fashion.
- 16.4.2.12 The application must be PCI compliant if the application performs any payment processes, or if PCI data will be stored.
- 16.4.2.13 The proposed system must interface with the State's payment processing engine.
- 16.4.2.14 Vendor must provide bandwidth requirements for all proposed sites for the proposed application.
- 16.4.2.15 Vendor must provide special input/output operations per second (IOP) requirements for storage.

17. Warranty and Maintenance Requirements

17.1 Product Warranty

- 17.1.1 Vendor must state the warranty period for the proposed system during which time maintenance need not be paid.
- 17.1.2 Vendor must warrant that all deliverables shall be free from any defect which would render any such deliverable inoperable or which would prevent full performance in accordance with these specifications. This warranty includes correction of errors, design deficiencies, performance deficiencies, and incorrect or defective documentation, including those found during acceptance testing, implementation, and the warranty period.
- 17.1.3 Vendor must propose the standard manufacturer warranty for all proposed software products and services. Vendor must specify the warranty period, during which time maintenance need not be paid. Warranty must cover, at minimum, one (1) hour response to

all service-related calls or e-mails during prime-shift hours (8:00 a.m. to 5:00 p.m. Central Time, Monday through Friday. Vendor must describe the proposed warranty.

17.1.4 Vendor must also specify whether extended warranty is being proposed to satisfy these requirements and include the associated period and cost.

17.2 Product Maintenance and Software Support

17.2.1 Vendor must propose an annual fixed cost contract to provide ongoing software support services to include problem remediation, maintenance and upgrades. Support must include toll-free telephone support during the hours of 8:00 a.m. to 5:00 p.m. Central Time, Monday through Friday. Vendor must describe the proposed plan.

17.2.2 For optional consideration by Agency, Vendor must also propose an annual fixed cost contract to provide ongoing software support services to include toll-free telephone support on a 24 hours, 7 days a week basis (excluding holidays). Vendor must describe the proposed plan.

17.2.3 Vendor must maintain the products in an operable condition according to the specifications contained in the technical manuals and as outlined in these specifications and the Vendor's System proposal.

17.2.4 Vendor must provide the Agency with enhancements and updates to the software as they are made generally available.

18. Training

18.1 Vendor must propose multi-level training for at least six (6) users and two (2) administrators of Agency personnel. Vendor must train a designated staff person in all aspects of systems administration for the proposed System. Agency staff must be trained in the competent use of the License and Compliance system modules as well as the query and reporting tools.

18.2 Vendor must describe the proposed training plan to include class objectives, scope, length of each class, class size and subject materials to be taught, and identify the costs associated with this requirement.

18.3 In addition, Vendor must furnish a training tutorial in video and/or manual media that will enable a new employee to perform system-related functions from day one of employment. This tutorial must take the employee through a stepwise introduction of each task necessary to perform any function of the system. The tutorial must be updated with each update the Vendor makes to their application software.

19. **Disaster and Recovery**

- 19.1 The awarded Vendor must provide a Disaster Recovery Plan for the proposed solution including, but not limited to, all recovery features and how the database is restored in the event of hardware or software failures or errors caused by human error. Vendor must discuss their general practice with regard to disaster recovery plans for client operations.
- 19.2 Vendor must discuss what hot and/or cold site arrangements are in place to ensure the proposed system may continue operating from another location in the event the Vendor's primary hosting site suffers a disaster incident.
- 19.3 Vendor should be aware the disaster recovery plan for the proposed solution will be integrated into the Agency's Disaster Recovery Plan. Vendor will not be responsible for this integration. Vendor will be expected to provide the Agency with support and be available to answer questions as they arise.

20. **Additional Requirements**

- 20.1 The Agency and **ITS** acknowledge that these specifications for the System requested by this RFP are not exhaustive. These specifications reflect the known requirements necessary for the successful integration and implementation of a fully functional, turnkey, online License System. The Vendor is tasked with proposing a complete system and fully describing those system features, if applicable, that meet these known specifications, and that address necessary supplemental functionality not detailed in this RFP, as well. The Vendor must identify and outline any area that was overlooked or misstated in these specifications.
- 20.2 If any component(s) necessary for operation of the requested system is omitted from Vendor's proposal, Vendor must provide the component(s) at no additional cost.
- 20.3 Vendor must specify the delivery interval proposed by his/her company.
- 20.4 Vendor must provide all technical specifications and manuals (documentation) at the point of sale.

21. **Cost Proposal and Payment Terms**

- 21.1 Vendor must identify all costs associated with providing the proposed system. Vendor must provide, in the Section VIII, *Cost Information Submission*, detailed cost information for all hardware, software and service components, data conversion costs, implementation costs, consulting costs and training costs proposed in response to this RFP. All on-site visits for any of these services must include any travel, lodging, and per diem related expenses.

- 21.2 Freight must be specified as FOB destination. All required costs, including freight and insurance as necessary, must be specified.
- 21.3 All proposed one-time and recurring costs must be itemized in Section VIII, taking into account a five (5) year contract term and then reduced to a total fixed dollar cost. Recurring costs must be fixed and not subject to escalation over this term.
- 21.4 The Vendor must specify the charge basis under which the ASP hosted System is being proposed: subscription, transaction or other basis. The Agency expects a monthly billing cycle for all recurring charges.
- 21.5 To secure the Vendor's performance under the contract, the Vendor agrees that the State shall hold back a retainage of 20% of each amount payable during each phase of the project, including amounts payable under Change Orders, subject to completion and final acceptance of all deliverables for each implementation phase.

22. Scoring Methodology

- 22.1 An Evaluation Team composed of MBON and **ITS** staff will review and evaluate all proposals. All information provided by the Vendors, as well as any other information available to evaluation team, will be used to evaluate the proposals.
 - 22.1.1 Each category included in the scoring mechanism is assigned a weight between one and 100.
 - 22.1.2 The sum of all categories, other than Value-Add, equals 100 possible points.
 - 22.1.3 Value-Add is defined as product(s) or service(s), exclusive of the stated functional and technical requirements and provided to the State at no additional charge, which, in the sole judgment of the State, provide both benefit and value to the State significant enough to distinguish the proposal and merit the award of additional points. A Value-Add rating between 0 and 5 may be assigned based on the assessment of the evaluation team. These points will be added to the total score.
 - 22.1.4 For the evaluation of this RFP, the Evaluation Team will use the following categories and possible points:

Category	Possible Points
Non-Cost Categories:	
Functional Requirements	20
Vendor Requirements, Project Management, Training	10

Data Conversion, Interfaces, Implementation	15
Support, Maintenance, Warranty	10
Security, Accessibility, Auditing	5
Total Non-Cost Points	60
Cost	40
Total Base Points	100
Value Add	5
Maximum Possible Points	105

22.2

The evaluation will be conducted in four stages as follows:

22.2.1 Stage 1 – Selection of Responsive/Valid Proposals – Each proposal will be reviewed to determine if it is sufficiently responsive to the RFP requirements to permit a complete evaluation. A responsive proposal must comply with the instructions stated in this RFP with regard to content, organization/format, Vendor experience, number of copies, bond requirement, timely delivery, and must be responsive to all mandatory requirements. No evaluation points will be awarded in this stage. Failure to submit a complete proposal may result in rejection of the proposal.

22.2.2 Stage 2 – Non-cost Evaluation (all requirements excluding cost)

22.2.2.1 Non-cost categories and possible point values are as follows:

Non-Cost Categories	Possible Points
Functional Requirements	20
Vendor Requirements, Project Management, Training	10
Data Conversion, Interfaces, Implementation	15
Support, Maintenance, Warranty	10
Security, Accessibility, Auditing	5
Maximum Possible Points	60

22.2.2.2 Proposals meeting fewer than 80% of the requirements in the non-cost categories may be eliminated from further consideration.

22.2.2.3 ITS scores the non-cost categories on a 10-point scale, with 9 points for meeting the requirement. The 'Meets Specs' score for each category is 90% of the total points allocated for that category. For example, the 'Functional Requirements' category was allocated 20 points; a proposal that fully met all requirements in that section would have scored 18 points. The additional 10% is used for a proposal that exceeds the requirement for an item in a way that provides additional benefits to the state.

22.3 Stage 3 – Cost Evaluation

22.3.1 Points will be assigned using the following formula:

$$(1 - ((B - A) / A)) * n$$

Where:

A = Total lifecycle cost of lowest valid proposal

B = Total lifecycle cost of proposal being scored

n = Maximum number of points allocated to cost for acquisition

22.3.2 Cost categories and maximum point values are as follows:

Cost Category	Possible Points
Lifecycle Cost	40
Maximum Possible Points	40

22.4 Stage 4 – Selection of the successful Vendor

22.4.1 On-site Demonstrations and Interviews

22.4.1.1 At the discretion of the State, evaluators may request interviews, on-site presentations, demonstrations or discussions with any and all Vendors for the purpose of system overview and/or clarification or amplification of information presented in any part of the proposal.

22.4.1.2 If requested, Vendors must be prepared to make on-site demonstrations of system functionality and/or proposal clarifications to the evaluation team and its affiliates within seven calendar days of notification. Each presentation must be made by the project manager being proposed by the Vendor to oversee implementation of this project.

22.4.1.3 Proposed key team members must be present at the on-site demonstration. The evaluation team reserves the right to interview the proposed key team members during this onsite visit.

22.4.1.4 Although on-site demonstrations may be requested, the demonstration will not be allowed in lieu of a written proposal.

22.4.2 Site Visits

22.4.2.1 At the State's option, Vendors that remain within a competitive range must be prepared to provide a reference site within seven calendar days of notification. If possible, the reference site should be in the Southeastern region of the United States. Vendor must list potential reference sites in the proposal.

22.5 Final Quantitative Evaluation - Following any requested presentations, demonstrations, and/or site visits, the Evaluation Team will re-evaluate any technical/functional scores as necessary. The technical/functional and cost scores will then be combined to determine the Vendor's final score.

SECTION VIII COST INFORMATION SUBMISSION

Vendors must propose a summary of all applicable project costs in the matrix that follows. The matrix must be supplemented by a cost itemization fully detailing the basis of each cost category. The level of detail must address the following elements as applicable: item, description, quantity, retail, discount, extension, and deliverable. Any cost not listed in this section may result in the Vendor providing those products or services at no charge to the State or face disqualification.

Description	Quantity	Unit Cost	Amount Due	Retainage	Amount of Payment
Software Costs					
NOTES ON SOFTWARE COSTS: Vendor must specify the licensing method for the Licensing Management System.					
Software license fee cost		\$	\$	\$	
Software Installation/Implementation Services (fully loaded with travel, subsistence and associated per diem costs). Break out costs by deliverable as defined in the Project Work Plan.					
Data Conversion		\$	\$	\$	
Implementation		\$	\$	\$	
*Other Costs (specify)		\$	\$	\$	
Training/Knowledge Transfer Costs					
Administrator Training –system controls, security, interfaces and configuration (2 MBON staff)		\$	\$	N/A	
Sub-Total Software and Implementation					\$
Release of Retainage (upon final acceptance and expiration of warranty period)					\$
Total Software and Implementation					\$
Maintenance Costs					

Description	Quantity	Unit Cost	Amount Due	Retainage	Amount of Payment
Maintenance and Support Costs 8:00 A.M. to 5:00 P.M. Central Time, Monday through Friday					
Year 1		\$	\$		
Year 2		\$	\$		
Year 3		\$	\$		
Year 4		\$	\$		
Year 5		\$	\$	N/A	
Performance Bond		\$		N/A	
Software Escrow		\$		N/A	
Miscellaneous Costs (must specify)		\$		\$	
		\$		\$	
If Change Order Rate varies depending on the level of support, Vendor should specify the Change Order Rate according to position.				N/A	
Fully Loaded Hourly Change Order Rate		\$		N/A	

SECTION IX REFERENCES

Please return the following Reference Forms, and if applicable, Subcontractor Reference Forms.

1. References

- 1.1 The Vendor must provide at least 3 references consisting of Vendor accounts that the State may contact. Required information includes customer contact name, address, telephone number, email address, and engagement starting and ending dates. Forms for providing reference information are included later in this RFP section. The Vendor must make arrangements in advance with the account references so that they may be contacted at the Project team's convenience without further clearance or Vendor intercession.
- 1.2 Any of the following may subject the Vendor's proposal to being rated unfavorably relative to these criteria or removed from further consideration, at the State's sole discretion:
 - 1.2.1 Failure to provide reference information in the manner described;
 - 1.2.2 Inability of the State to substantiate minimum experience or other requirements from the references provided;
 - 1.2.3 Non-responsiveness of references to the State's attempts to contact them; or
 - 1.2.4 Unfavorable references that raise serious concerns about material risks to the State in contracting with the Vendor for the proposed products or services.
- 1.3 References should be based on the following profiles and be able to substantiate the following information from both management and technical viewpoints:
 - 1.3.1 The reference installation must be for a project similar in scope and size to the project for which this RFP is issued;
 - 1.3.2 The reference installation must have been operational for at least six (6) months.
 - 1.3.3 MANDATORY – At least one (1) of the Vendor's references must identify a public entity (city, state, province or country) in which the Vendor has implemented a Nurse License Management System for an entity similar to the Board of Nursing that includes the modules listed in this RFP. Please include the name, title, telephone number and e-mail of a contact person in the state or province named.

- 1.4 The State reserves the right to request information about the Vendor from any previous customer of the Vendor of whom the State is aware, including the procuring agency and/or other agencies or institutions of the State, even if that customer is not included in the Vendor's list of references, and to utilize such information in the evaluation of the Vendor's proposal.
- 1.5 Unless otherwise indicated in the Scoring Methodology in Section VII, reference information available to the State will be used as follows:
 - 1.5.1 As documentation supporting mandatory experience requirements for companies, products, and/or individuals, as required in this RFP;
 - 1.5.2 To confirm the capabilities and quality of a Vendor, product, or individual for the proposal deemed lowest and best, prior to finalizing the award.
- 1.6 The State reserves the right to forego reference checking when, at the State's sole discretion, the evaluation team determines that the capabilities of the recommended Vendor are known to the State.

2. **Subcontractors**

The Vendor's proposal must identify any subcontractor that will be used and include the name of the company, telephone number, contact person, type of work subcontractor will perform, number of certified employees to perform said work, and three (3) references for whom the subcontractor has performed work that the State may contact. Forms for providing subcontractor information and references are included at the end of this section.

Unless otherwise noted, the requirements found in the References section may be met through a combination of Vendor and subcontractor references and experience. Vendor's proposal should clearly indicate any mandatory experience requirements met by subcontractors. NOTE: The State reserves the right to eliminate from further consideration proposals in which the prime Vendor does not, in the State's sole opinion, provide substantive value or investment in the total solution proposed. (i.e. the State does not typically accept proposals in which the prime Vendor is only a brokering agent.)

REFERENCE FORM

Complete 3 Reference Forms.

Contact Name:

Company Name:

Address:

Phone #:

E-Mail:

Project Start Date:

Project End Date:

Description of product/services/project, including start and end dates:

--

SUBCONTRACTOR REFERENCE FORM

Complete a separate form for each subcontractor proposed.

Contact Name:
Company name:
Address:
Phone #:
E-Mail:

Scope of services/products to be provided by subcontractor:

--

Complete three (3) Reference Forms for each Subcontractor.

Contact Name:
Company name:
Address:
Phone #:
E-Mail:
Description of product/services/project, including start and end dates:

--

EXHIBIT A STANDARD CONTRACT

A properly executed contract is a requirement of this RFP. After an award has been made, it will be necessary for the winning Vendor to execute a contract with **ITS**. The inclusion of this contract does not preclude **ITS** from, at its sole discretion, negotiating additional terms and conditions with the selected Vendor(s) specific to the projects covered by this RFP.

If Vendor cannot comply with any term or condition of this Standard Contract, Vendor must list and explain each specific exception on the *Proposal Exception Summary Form* included in Section V.

**PROJECT NUMBER 40412
SOFTWARE TURNKEY AGREEMENT
BETWEEN
INSERT VENDOR NAME
AND
MISSISSIPPI DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES
AS CONTRACTING AGENT FOR THE
MISSISSIPPI BOARD OF NURSING**

This Software Turnkey Agreement (hereinafter referred to as "Agreement") is entered into by and between **INSERT VENDOR NAME**, a **INSERT STATE OF INCORPORATION** corporation having its principal place of business at **INSERT VENDOR ADDRESS** (hereinafter referred to as "Seller"), and Mississippi Department of Information Technology Services having its principal place of business at 3771 Eastwood Drive, Jackson, Mississippi 39211 (hereinafter referred to as "ITS"), as contracting agent for the Mississippi Board of Nursing located at 1080 River Oaks Drive, Suite A100, Jackson, Mississippi 39232 (hereinafter referred to as "Purchaser"). ITS and Purchaser are sometimes collectively referred to herein as "State."

WHEREAS, Purchaser, pursuant to Request for Proposals ("RFP") Number 3733, requested proposals for the acquisition of certain software, installation and conversion services, and technical support (collectively "Turnkey Operation") necessary for the implementation of a Nurse License Management System; and

WHEREAS, Seller was the successful proposer in an open, fair, and competitive procurement process to provide the system and services described above;

NOW, THEREFORE, in consideration of the mutual understandings, promises, consideration, and agreements set forth, the parties hereto agree as follows:

ARTICLE 1 PERIOD OF PERFORMANCE

1.1 This Agreement will become effective on the date it is signed by all parties and will continue in effect until all tasks required herein, including any post warranty

maintenance/support specified in Exhibit A, have been completed. Seller agrees to complete all tasks required under this Agreement, with the exception of warranty service and post warranty maintenance, on or before April 30, 2015, or within such other period as may be agreed to by the parties.

1.2 This Agreement will become a binding obligation on the State only upon the issuance of a valid purchase order by the Purchaser following contract execution and the issuance by ITS of the CP-1 Acquisition Approval Document.

ARTICLE 2 TURNKEY OPERATION AND INSTALLATION

2.1 The Seller agrees to provide Purchaser with a turnkey system consisting of software, installation and conversion services, technical support, and training for the implementation of a web-based Commercial-off-the-Shelf License Management System, as specified in RFP No. 3733. Seller agrees to facilitate the integration of the hardware and software for the particular purpose set forth in RFP No. 3733. Seller further agrees that the system as set forth in RFP No. 3733 and Seller's Proposal in response thereto shall operate efficiently and optimally in light of industry standards and as further specified in RFP No. 3733 and Seller's Proposal in response thereto. RFP No. 3733 and Seller's Proposal as accepted by the State in response thereto are incorporated herein by reference.

2.2 In matters of proposals, negotiations, contracts, and resolution of issues and/or disputes, the parties agree that: (a) Seller is solely responsible for all products and services being provided in this project; (b) Seller is responsible for the fulfillment of this project; and (c) Seller represents all contractors, third parties, and/or subcontractors Seller has assembled for this project. The Purchaser is required to negotiate only with Seller, as Seller's commitments, as specified in this Agreement, are binding on all proposed contractors, third parties, and subcontractors.

ARTICLE 3 PROCUREMENT OF SOFTWARE AND PURCHASE ORDERS

Subject to the terms and conditions set forth herein, Seller agrees to provide, at the location specified by Purchaser, and Purchaser agrees to buy as needed the software and services listed in the attached Exhibit A, which is incorporated herein and at the purchase price set forth therein. Purchaser shall submit a purchase order signed by a representative of Purchaser itemizing the items to be purchased. The purchase order shall be subject to the terms and conditions of this Agreement. The parties agree that Purchaser reserves the right to adjust the quantities of purchases based upon the availability of funding or as determined necessary by Purchaser. Seller guarantees pricing for a period of ninety (90) days from the effective date of this Agreement. In the event there is a national price decrease of the products specified in Seller's Proposal during this time, Seller agrees to extend the new, lower pricing to Purchaser.

ARTICLE 4 DELIVERY, INSTALLATION, AND RISK OF LOSS

4.1 Seller shall deliver the software to the location specified by Purchaser, pursuant to the delivery schedule set forth by Purchaser.

4.2 Seller shall complete installation of the software pursuant to the requirements set forth in RFP No. 3733 and Article 5 herein. Seller acknowledges that installation of the system shall be accomplished with minimal interruption of Purchaser's normal day-to-day operations.

4.3 Seller shall assume and shall bear the entire risk of loss and damage to the software from any cause whatsoever while in transit and at all times throughout its possession thereof.

4.4 Seller shall be responsible for replacing, restoring, or bringing to at least original condition any damage to floors, ceilings, walls, furniture, grounds, pavements, sidewalks, and the like caused by its personnel and operations during the installation, subject to final approval of ITS. The repairs will be done only by technicians skilled in the various trades involved, using materials and workmanship to match those of the original construction in type and quality.

ARTICLE 5 SCHEDULE AND ACCEPTANCE

5.1 Seller warrants that all software shall be properly delivered, installed, and integrated for acceptance testing within the scheduling deadlines set forth by Purchaser, as the site is deemed ready for installation. Seller shall provide Purchaser with an installation schedule identifying the date, time, and location within the scheduling deadlines set forth in RFP No. 3733, or as may be agreed to by the parties.

5.2 During the project initiation, Seller and Purchaser will develop a mutually agreed upon project plan including the division of responsibility between Purchaser's staff and Seller's staff. It is understood by the parties that the project work plan must be in place prior to any other work being performed. Once this mutually agreed upon project plan, which will identify specific time frames and deliverable target dates for this project, has been developed, it will be incorporated into and made a part of this Agreement. The dates in the project plan will define the agreed upon period of performance. The parties acknowledge that the project plan will evolve and change from time to time upon the mutual written agreement of both parties. The parties agree that the deliverables and schedule set forth in the latest version of the project plan will take precedence over any prior plans.

5.3 Seller shall provide all documentation for the software being tested before acceptance testing will begin. Purchaser shall have five (5) business days to review each deliverable and to either notify Seller of acceptance or to provide Seller a detailed list of deficiencies that must be remedied prior to payment being made. In the event the Purchaser notifies the Seller of deficiencies, the Seller, at Seller's sole expense, shall correct such deficiencies within ten (10) business days, unless the Purchaser consents in writing to a longer period of time.

5.4 Upon notification by Seller that the turnkey system has been fully implemented and is ready for final system acceptance testing, Purchaser shall have thirty (30) business days to evaluate and test the system to confirm that it performs without any defects and performs pursuant to the specifications set forth in RFP No. 3733 and the Seller's Proposal in response thereto. Seller shall participate, as agreed upon by both parties, in the acceptance testing of the system by providing technical staff at Purchaser's location to provide assistance in

demonstrating all functions of the system. The Purchaser's official representative must sign off on each application to ensure that the applications meet the functional and technical requirements. In the event that one (1) or more applications supplied by Seller are not accepted, the Seller shall correct the deficiencies or provide at its own expense whatever software that may be required to meet the acceptance criteria within ten (10) business days or a mutually agreed upon time period. In the event the system fails to perform to Purchaser's satisfaction, Purchaser shall immediately notify Seller. Seller, at Seller's sole expense, shall correct defects identified by Purchaser within ten (10) business days, or such other period as the parties may agree upon. The thirty (30) business day testing period will be extended by system down-time. In the event Seller is unable to repair or replace the defective software, the Purchaser reserves the right to return defective software to Seller at Seller's expense and to cancel this Agreement.

ARTICLE 6 SOFTWARE LICENSE AND TERMS

6.1 Seller shall furnish the software to Purchaser as set forth in purchase orders submitted and executed by Purchaser and shall acquire the right to license the software to Purchaser. For purposes of this Article, the term "Purchaser" means the Mississippi Board of Nursing, its employees, and any third party consultants or outsourcers engaged by Purchaser who have a need to know and who shall be bound by the terms and conditions of this license and Agreement.

6.2 Seller accepts sole responsibility for: (a) Purchaser's system configuration, design, and requirements; (b) the selection of the software to achieve Purchaser's intended results; (c) the results obtained from the software; and (d) modifications, changes, or alterations to the software provided by Seller.

6.3 Seller understands and agrees that Purchaser shall have: (a) a non-exclusive, non-transferable, enterprise-wide unlimited, and perpetual license for the software listed in Exhibit A; (b) the right to use and customize the software products and the related documentation for Purchaser's business operations in accordance with the terms and conditions of this Agreement; (c) unlimited use by licensed users of the software products acquired for Purchaser's operations; (d) use of such software products with a backup platform system, should it be deemed necessary by Purchaser; (e) the right to copy such software for safekeeping, backup, and disaster recovery purposes; (f) the right to combine the software with other programs and modules and the right to create interfaces to other programs; and (g) the right to reproduce any and all physical documentation supplied under the terms of this Agreement.

6.4 Purchaser agrees that, except as noted herein, it will not otherwise copy, translate, modify, adapt, decompile, disassemble, or reverse engineer any of the software without the prior written consent of Seller. All title and proprietary rights, whether tangible or intangible, including but not limited to copyright, trademark, and trade secret rights, in and to the software are retained by the Seller or the third party software manufacturer as applicable. Purchaser agrees to reproduce and include the copyright, trademark, and other proprietary rights notices on any copies made of the software and documentation.

ARTICLE 7 CONVERSION AND TRAINING

Seller shall, for the fees specified in the attached Exhibit A, provide the conversion activities as well as the training specified in RFP No. 3733 and Seller's Proposal, as accepted by Purchaser, in response thereto. Seller and Purchaser shall mutually agree on the time for the training and an outline of the training to be provided. Seller specifically understands and agrees that Purchaser will not accept the system until Seller completes the conversion and training requirements. Seller agrees to provide, upon delivery, all user documentation and technical manuals needed to fully acquaint the user with operation of the software.

ARTICLE 8 CONSIDERATION AND METHOD OF PAYMENT

8.1 Except as provided in the Change Order Rate and Procedure Article of this Agreement, the total compensation to be paid to the Seller by the Purchaser shall not exceed the fixed price of **INSERT TOTAL \$ AMOUNT** for all software, products, services, travel, performances and expenses under this Agreement, payable as described in Exhibit A, unless prior written authorization from ITS has been obtained. Authorization of payments is subject to the written approval of the Purchaser.

8.2 The Seller and the Purchaser agree to the Deliverable Schedule as set forth in the Payment Schedule and Deliverables List included as Exhibit A to this Agreement. The Seller will receive payment in the amount indicated in Article 8.1 herein, less retainage to be withheld in accordance with the Retainage Article herein, upon written acceptance by the Purchaser of each of the deliverables defined therein. The parties agree that as the project work plan is revised by written agreement of the parties during the term of this Agreement, the anticipated dates for acceptance of deliverables and for the corresponding payments to the Seller, but not the amounts of those payments, may likewise be revised only by written agreement of the parties.

8.3 Upon written acceptance, as set forth in Article 5 herein, by the Purchaser of a deliverable which has an associated payment, the Seller will invoice the Purchaser for the invoice amount of that payment as indicated in the attached Exhibit A, less retainage to be withheld in accordance with the Retainage Article herein. Seller shall certify that the billing is true and correct. Seller shall submit invoices and supporting documentation to Purchaser electronically during the term of this Agreement using the processes and procedures identified by the State. Purchaser agrees to pay Seller in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies," Sections 31-7-301, et seq. of the 1972 Mississippi Code Annotated, as amended, which generally provides for payment of undisputed amounts by the State within forty-five (45) days of receipt of the invoice. Seller understands and agrees that Purchaser is exempt from the payment of taxes. All payments should be made in United States currency. Payments by state agencies using the Statewide Automated Accounting System ("SAAS") shall be made and remittance information provided electronically as directed by the State. These payments by SAAS agencies shall be deposited into the bank account of the Seller's choice. No payment, including final payment, shall be construed as acceptance of defective products or incomplete work, and the Seller shall remain responsible and liable for full

performance in strict compliance with the contract documents specified in the article herein titled "Entire Agreement."

8.4 Acceptance by the Seller of the last payment from the Purchaser shall operate as a release of all claims against the State by the Seller and any subcontractors or other persons supplying labor or materials used in the performance of the work under this Agreement.

ARTICLE 9 WARRANTIES

9.1 Seller represents and warrants that all software and services provided by Seller shall meet or exceed the minimum specifications set forth in RFP No. 3733 and Seller's Proposal in response thereto.

9.2 Seller represents and warrants that Seller has the right to license the software provided under this Agreement.

9.3 Seller represents and warrants that all software furnished will be free from material defects for a period of one (1) year after final acceptance of the complete system and will provide Purchaser complete functionality necessary for the operation of the system as stated in RFP No. 3733 and the Seller's Proposal in response thereto. This warranty shall cover all components of the system, including but not limited to all programs, screens, reports, subroutines, utilities, file structures, documentation, interfaces, or other items provided by the Seller. This warranty will apply to the base package plus any customized programs, screens, reports, subroutines, interfaces, utilities, file structures, documentation, or other items proposed and delivered by the Seller specifically for this project. The Seller shall give immediate high priority attention to any mission critical corrections that are needed. If the software does not function accordingly, Seller shall, within five (5) working days and at no cost to Purchaser, correct the defects identified, or replace the software with software that is compliant with this warranty. In the event Seller cannot repair or replace the software, Seller shall at the State's election, either refund the fees paid for the software and for any services that directly relate to the defective software, or secure alternate software, acceptable to the Purchaser which will insure functionality of the system.

9.4 Seller represents and warrants that the turnkey system is fit for the particular purpose set forth in this Agreement and RFP No. 3733, with regard to Purchaser's foreseeable or projected needs.

9.5 Seller represents and warrants that it has and will obtain and pass through to Purchaser any and all warranties obtained or available from the licensor of software supplied to Seller.

9.6 Seller represents and warrants that all work performed hereunder, including but not limited to consulting, conversion, training, technical support, and maintenance, shall be performed by competent personnel, shall be of professional quality consistent with generally accepted industry standards for the performance of such services, and shall comply in all respects with the requirements of this Agreement. For any breach of this warranty, the Seller

shall, for a period of ninety (90) days from the performance of service, perform the services again at no cost to the Purchaser, or if the Seller is unable to perform the services as warranted, the Seller shall reimburse the Purchaser the fees paid to the Seller for the unsatisfactory services.

9.7 Seller represents and warrants that there is no disabling code or a lockup program or device embedded in the software provided to Purchaser. Seller further agrees that it will not under any circumstances, including enforcement of a valid contract right, (a) install or trigger a lockup program or device, or (b) take any step which would in any manner interfere with Purchaser's use of the software and/or which would restrict Purchaser from accessing its data files or in any way interfere with the transaction of Purchaser's business. For any breach of this warranty, Seller, at its expense, shall, within five (5) working days after receipt of notification of the breach, deliver Products to Purchaser that are free of such disabling code or a lockup program or device.

9.8 Seller represents and warrants that the software, as delivered to Purchaser, does not contain a computer virus. For any breach of this warranty, Seller, at its expense, shall, within five (5) working days after receipt of notification of the breach, deliver Products to Purchaser that are free of any virus and shall be responsible for repairing, at Seller's expense, any and all damage done by the virus to Purchaser's site.

9.9 Seller represents and warrants that upon completion of the project the Seller and all subcontractors shall convey to Purchaser copies of all interim reports, data collection forms, and any working papers that support the final acceptance of the system.

9.10 Seller represents and warrants that it presently has and will continue to maintain, at its own expense, throughout the term of this Agreement, valid licenses for all software, trademarks, service marks, patents and copyrighted material and any other proprietary information of a third party that it will deploy in support of all products Seller uses in the performance of this Agreement. Seller further represents and warrants that upon Purchaser's request, Seller shall pass through such licenses to Purchaser at no cost to Purchaser. In the event the licenses are passed through to Purchaser, such licenses shall name the Purchaser as the license holder of record and such licenses shall be established in such a manner so as to survive the termination/expiration of this Agreement. For any breach of the preceding warranty, Seller at its own expense shall within five (5) business days after receipt of notification of the breach, secure and/or pass through, as applicable, the necessary licenses. Failure of the Seller to secure and/or pass through such licenses to Purchaser shall be considered a material breach of this Agreement and the Purchaser may, at its sole discretion, pursue its rights as set forth in the Termination Article herein and any other rights and remedies it may have at law or in equity.

9.11 If applicable under the given circumstances, Seller represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act, Section 71-11-1, et seq. of the Mississippi Code Annotated (Supp2008), and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means

any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Seller agrees to maintain records of such compliance and, upon request of the State and approval of the Social Security Administration or Department of Homeland Security where required, to provide a copy of each such verification to the State. Seller further represents and warrants that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Mississippi. Seller understands and agrees that any breach of these warranties may subject Seller to the following: (a) termination of this Agreement and ineligibility for any state or public contract in Mississippi for up to three (3) years, with notice of such cancellation/termination being made public, or (b) the loss of any license, permit, certification or other document granted to Seller by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (c) both. In the event of such termination/cancellation, Seller would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit.

9.12 Seller represents and warrants that the system provided pursuant to this Agreement will pass both internal security audits and independent security audits. For any breach of the preceding warranty at any time during which the system is covered by warranty, maintenance and/or support, Seller shall, at its own expense and at no cost to Purchaser, remediate any defect, anomaly or security vulnerability in the system by repairing and/or replacing any and all components of the system necessary in order for the system to be secure.

9.13 Seller represents and warrants that no official or employee of Purchaser or of ITS, and no other public official of the State of Mississippi who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the project shall, prior to the completion of said project, voluntarily acquire any personal interest, direct or indirect, in this Agreement. The Seller warrants that it has removed any material conflict of interest prior to the signing of this Agreement, and that it shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its responsibilities under this Agreement. The Seller also warrants that in the performance of this Agreement no person having any such known interests shall be employed.

9.14 The Seller represents and warrants that no elected or appointed officer or other employee of the State of Mississippi, nor any member of or delegate to Congress has or shall benefit financially or materially from this Agreement. No individual employed by the State of Mississippi shall be admitted to any share or part of the Agreement or to any benefit that may arise therefrom. The State of Mississippi may, by written notice to the Seller, terminate the right of the Seller to proceed under this Agreement if it is found, after notice and hearing by the ITS Executive Director or his/her designee, that gratuities in the form of entertainment, gifts, jobs, or otherwise were offered or given by the Seller to any officer or employee of the State of Mississippi with a view toward securing this Agreement or securing favorable treatment with respect to the award, or amending or making of any determinations with respect to the

performing of such contract, provided that the existence of the facts upon which the ITS Executive Director makes such findings shall be in issue and may be reviewed in any competent court. In the event this Agreement is terminated under this article, the State of Mississippi shall be entitled to pursue the same remedies against the Seller as it would pursue in the event of a breach of contract by the Seller, including punitive damages, in addition to any other damages to which it may be entitled at law or in equity.

9.15 Seller represents and warrants that it will comply with the state's data breach notification laws codified at Section 75-24-29 of the Mississippi Code Annotated (Supp 2012). Further, to the extent applicable, Seller represents and warrants that it will comply with the applicable provisions of the HIPAA Privacy Rule and Security Regulations (45 CFR Parts 160, 162 and 164) ("Privacy Rule" and "Security Regulations", individually; or "Privacy and Security Regulations", collectively); and the provisions of the Health Information Technology for Economic and Clinical Health Act, Title XIII of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5 (the "HITECH Act").

ARTICLE 10 INFRINGEMENT INDEMNIFICATION

Seller represents and warrants that neither the software, its elements, nor the use thereof violates or infringes on any copyright, patent, trademark, servicemark, trade secret, or other proprietary right of any person or entity. Seller, at its own expense, shall defend or settle any and all infringement actions filed against Seller or Purchaser which involves the software provided under this Agreement and shall pay all settlements, as well as all costs, attorney fees, damages, and judgment finally awarded against Purchaser. If the continued use of the products for the purpose intended is threatened to be enjoined or is enjoined by any court of competent jurisdiction, Seller shall, at its expense: (a) first procure for Purchaser the right to continue using such products, or upon failing to procure such right; (b) modify or replace them with non-infringing products while maintaining substantially similar software functionality or data/informational content, or upon failing to secure either such right; (c) refund to Purchaser the software license fees previously paid by Purchaser for the products Purchaser may no longer use. Said refund shall be paid within ten (10) working days of notice to Purchaser to discontinue said use.

ARTICLE 11 SOFTWARE SUPPORT

11.1 Prior to expiration of the warranty period, Seller shall notify Purchaser in writing of the impending warranty expiration, and Purchaser shall in turn notify Seller of its decision to either obtain software support or to forgo it. Upon notification of intent to obtain software support, Seller shall provide Purchaser, for the annual fee specified in the attached Exhibit A, the software support services as herein described.

11.2 Seller shall provide, for the periods set forth in Exhibit A, software support services as specified in RFP No. 3733 and Seller's Proposal, as accepted by Purchaser, in response thereto, with said support to include, but not be limited to, the following: (a) upon notification of software errors, Seller shall provide all remedial support and assistance needed to correct the errors which affect the operation of the software; (b) the provision of regular updates, new

releases, and enhancements as they are released, but no less than one (1) annually; (c) unlimited toll-free technical telephone support in the operation of the software system 8:00 A.M. to 5:00 P.M., Monday through Friday (Central Time), with a guaranteed one (1) hour telephone response time; priority placement in the support queue shall be given to all system locking situations or problems claimed by Purchaser to be a mission critical process; and (d) on-site support in the operation of the software products if reasonably convenient or necessary in the opinion of the Seller. It is further understood that in the event the software product lines are discontinued, Seller shall be responsible for supporting the last software release implemented by the Purchaser for a minimum of five (5) years thereafter, with the same level of support as described in this Article. Should Seller migrate away from the database currently required for the software installed for Purchaser to a different database, Seller shall provide updated product and new database licensing to Purchaser at no cost to Purchaser.

11.3 Sixty (60) days prior to expiration of the initial software support period or any renewal term thereof, Seller shall notify Purchaser in writing of the impending expiration, and Purchaser shall have thirty (30) days in which to notify Seller of its decision to either renew or cancel any further software support. In no event shall the cost for software support increase by more than fivepercent (5%) per year.

ARTICLE 12 EMPLOYMENT STATUS

12.1 Seller shall, during the entire term of this Agreement, be construed to be an independent contractor. Nothing in this Agreement is intended to nor shall it be construed to create an employer-employee relationship or a joint venture relationship.

12.2 Seller represents that it is qualified to perform the duties to be performed under this Agreement and that it has or will secure, if needed, at its own expense, applicable personnel who shall be qualified to perform the duties required under this Agreement. Such personnel shall not be deemed in any way, directly or indirectly, expressly or by implication, to be employees of Purchaser. Seller shall pay, when due, all salaries and wages of its employees, and it accepts exclusive responsibility for the payment of federal income tax, state income tax, social security, unemployment compensation, and any other withholdings that may be required. Neither Seller nor employees of Seller are entitled to state retirement or leave benefits.

12.3 Any person assigned by Seller to perform the services hereunder shall be the employee of Seller, who shall have the sole right to hire and discharge its employee. Purchaser may, however, direct Seller to replace any of its employees under this Agreement. If Seller is notified within the first eight (8) hours of assignment that the person is unsatisfactory, Seller will not charge Purchaser for those hours.

12.4 It is further understood that the consideration expressed herein constitutes full and complete compensation for all services and performances hereunder and that any sum due and payable to Seller shall be paid as a gross sum with no withholdings or deductions being made by Purchaser for any purpose from said contract sum.

ARTICLE 13 BEHAVIOR OF EMPLOYEES/SUBCONTRACTORS

Seller will be responsible for the behavior of all its employees and subcontractors while on the premises of any Purchaser location. Any employee or subcontractor acting in a manner determined by the administration of that location to be detrimental, abusive, or offensive to any of the staff will be asked to leave the premises and may be suspended from further work on the premises. All Seller employees and subcontractors who will be working at such locations to install or repair Products shall be covered by Seller's comprehensive general liability insurance policy.

ARTICLE 14 MODIFICATION OR RENEGOTIATION

This Agreement may be modified only by written agreement signed by the parties hereto, and any attempt at oral modification shall be void and of no effect. The parties agree to renegotiate the Agreement if federal and/or state revisions of any applicable laws or regulations make changes in this Agreement necessary.

ARTICLE 15 AUTHORITY, ASSIGNMENT AND SUBCONTRACTS

15.1 In matters of proposals, negotiations, contracts, and resolution of issues and/or disputes, the parties agree that Seller represents all contractors, third parties, and/or subcontractors Seller has assembled for this project. The Purchaser is required to negotiate only with Seller, as Seller's commitments are binding on all proposed contractors, third parties, and subcontractors.

15.2 Neither party may assign or otherwise transfer this Agreement or its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld. Any attempted assignment or transfer of its obligations without such consent shall be null and void. This Agreement shall be binding upon the parties' respective successors and assigns.

15.3 Seller must obtain the written approval of Purchaser before subcontracting any portion of this Agreement. No such approval by Purchaser of any subcontract shall be deemed in any way to provide for the incurrence of any obligation of Purchaser in addition to the total fixed price agreed upon in this Agreement. All subcontracts shall incorporate the terms of this Agreement and shall be subject to the terms and conditions of this Agreement and to any conditions of approval that Purchaser may deem necessary.

15.4 Seller represents and warrants that any subcontract agreement Seller enters into shall contain a provision advising the subcontractor that the subcontractor shall have no lien and no legal right to assert control over any funds held by the Purchaser, that the subcontractor acknowledges that no privity of contract exists between the Purchaser and the subcontractor, and that the Seller is solely liable for any and all payments which may be due to the subcontractor pursuant to its subcontract agreement with the Seller. The Seller shall indemnify and hold harmless the State from and against any and all claims, demands, liabilities, suits, actions, damages, losses, costs, and expenses of every kind and nature whatsoever arising as a result of Seller's failure to pay any and all amounts due by Seller to any subcontractor, materialman, laborer, or the like.

15.5 All subcontractors shall be bound by any negotiation, arbitration, appeal, adjudication, or settlement of any dispute between the Seller and the Purchaser, where such dispute affects the subcontract.

ARTICLE 16 AVAILABILITY OF FUNDS

It is expressly understood and agreed that the obligation of Purchaser to proceed under this Agreement is conditioned upon the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds for the performances required under this Agreement. If the funds anticipated for the fulfillment of this Agreement are not forthcoming or are insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds, or if there is a discontinuance or material alteration of the program under which funds were available to Purchaser for the payments or performance due under this Agreement, Purchaser shall have the right to immediately terminate this Agreement without damage, penalty, cost, or expense to Purchaser of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination. Purchaser shall have the sole right to determine whether funds are available for the payments or performances due under this Agreement.

ARTICLE 17 TERMINATION

Notwithstanding any other provision of this Agreement to the contrary, this Agreement may be terminated, in whole or in part, as follows: (a) upon the mutual, written agreement of the parties; (b) by Purchaser, without the assessment of any penalties, upon thirty (30) days written notice to Seller, if Seller becomes the subject of bankruptcy, reorganization, liquidation, or receivership proceedings, whether voluntary or involuntary; (c) by Purchaser, without the assessment of any penalties, for any reason after giving thirty (30) days written notice specifying the effective date thereof to Seller; or (d) by either party in the event of a breach of a material term or provision of this Agreement where such breach continues for thirty (30) days after the breaching party receives written notice from the other party. Upon termination, Purchaser will be entitled to a refund of applicable unexpended prorated annual software support fees/charges, if any. In the event of termination, Seller shall be paid for satisfactory work completed or services rendered by Seller in connection with this Agreement and accepted by Purchaser as of the date of receipt of notification of termination. In no case shall said compensation exceed the total contract price. The provisions of this Article do not limit either party's right to pursue any other remedy available at law or in equity.

ARTICLE 18 GOVERNING LAW

This Agreement shall be construed and governed in accordance with the laws of the State of Mississippi, and venue for the resolution of any dispute shall be Jackson, Hinds County, Mississippi. Seller expressly agrees that under no circumstances shall Purchaser or ITS be obligated to pay an attorney's fee, prejudgment interest, or the cost of legal action to Seller. Further, nothing in this Agreement shall affect any statutory rights Purchaser may have that cannot be waived or limited by contract.

ARTICLE 19 WAIVER

Failure of either party hereto to insist upon strict compliance with any of the terms, covenants, and conditions hereof shall not be deemed a waiver or relinquishment of any similar right or power hereunder at any subsequent time or of any other provision hereof, nor shall it be construed to be a modification of the terms of this Agreement. A waiver by the State, to be effective, must be in writing, must set out the specifics of what is being waived, and must be signed by an authorized representative of the State.

ARTICLE 20 SEVERABILITY

If any term or provision of this Agreement is prohibited by the laws of the State of Mississippi or declared invalid or void by a court of competent jurisdiction, the remainder of this Agreement shall be valid and enforceable to the fullest extent permitted by law, provided that the State's purpose for entering into this Agreement can be fully achieved by the remaining portions of the Agreement that have not been severed.

ARTICLE 21 CAPTIONS

The captions or headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provision or section of this Agreement.

ARTICLE 22 HOLD HARMLESS

To the fullest extent allowed by law, Seller shall indemnify, defend, save and hold harmless, protect, and exonerate Purchaser, ITS and the State, its Board Members, officers, employees, agents, and representatives from and against any and all claims, demands, liabilities, suits, actions, damages, losses, costs, and expenses of every kind and nature whatsoever, including, without limitation, court costs, investigative fees and expenses, attorney fees, and claims for damages arising out of or caused by Seller and/or its partners, principals, agents, employees, or subcontractors in the performance of or failure to perform this Agreement.

ARTICLE 23 THIRD PARTY ACTION NOTIFICATION

Seller shall notify Purchaser in writing within five (5) business days of Seller filing bankruptcy, reorganization, liquidation or receivership proceedings or within five (5) business days of its receipt of notification of any action or suit being filed or any claim being made against Seller or Purchaser by any entity that may result in litigation related in any way to this Agreement and/or which may affect the Seller's performance under this Agreement. Failure of the Seller to provide such written notice to Purchaser shall be considered a material breach of this Agreement and the Purchaser may, at its sole discretion, pursue its rights as set forth in the Termination Article herein and any other rights and remedies it may have at law or in equity.

ARTICLE 24 AUTHORITY TO CONTRACT

Seller warrants that it is a validly organized business with valid authority to enter into this Agreement, that entry into and performance under this Agreement is not restricted or prohibited by any loan, security, financing, contractual, or other agreement of any kind, and notwithstanding any other provision of this Agreement to the contrary, that there are no existing

legal proceedings or prospective legal proceedings, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under this Agreement.

ARTICLE 25 NOTICE

Any notice required or permitted to be given under this Agreement shall be in writing and personally delivered or sent by electronic means, provided that the original of such notice is sent by certified United States mail, postage prepaid, return receipt requested, or overnight courier with signed receipt, to the party to whom the notice should be given at their business address listed herein. ITS' address for notice is: Craig P. Orgeron, Ph.D., Executive Director, Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Purchaser's address for notice is: Mr. Tony Graham, Director of Operations, Mississippi Board of Nursing, 1080 River Oaks Drive, Suite A100, Jackson, Mississippi 39232. The Seller's address for notice is: **INSERT VENDOR ADDRESS**. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other in writing of any change of address.

ARTICLE 26 RECORD RETENTION AND ACCESS TO RECORDS

Seller shall establish and maintain financial records, supporting documents, statistical records and such other records as may be necessary to reflect its performance of the provisions of this Agreement. The Purchaser, ITS, any state or federal agency authorized to audit Purchaser, and/or any of their duly authorized representatives, shall have unimpeded, prompt access to this Agreement and to any of the Seller's proposals, books, documents, papers and/or records that are pertinent to this Agreement to make audits, copies, examinations, excerpts and transcriptions at the State's or Seller's office as applicable where such records are kept during normal business hours. All records relating to this Agreement shall be retained by the Seller for three (3) years from the date of receipt of final payment under this Agreement. However, if any litigation or other legal action, by or for the state or federal government has begun that is not completed at the end of the three (3) year period, or if an audit finding, litigation or other legal action has not been resolved at the end of the three (3) year period, the records shall be retained until resolution.

ARTICLE 27 INSURANCE

Seller represents that it will maintain workers' compensation insurance as prescribed by law, which shall inure to the benefit of Seller's personnel, as well as comprehensive general liability and employee fidelity bond insurance. Seller will, upon request, furnish Purchaser with a certificate of conformity providing the aforesaid coverage.

ARTICLE 28 DISPUTES

Any dispute concerning a question of fact under this Agreement, which is not disposed of by agreement of the Seller and Purchaser, shall be decided by the Executive Director of ITS or his/her designee. This decision shall be reduced to writing and a copy thereof mailed or furnished to the parties. Disagreement with such decision by either party shall not constitute a breach under the terms of this Agreement. Such disagreeing party shall be entitled to seek such other rights and remedies it may have at law or in equity.

ARTICLE 29 COMPLIANCE WITH LAWS

Seller shall comply with and all activities under this Agreement shall be subject to all Purchaser policies and procedures and all applicable federal, state, and local laws, regulations, policies, and procedures as now existing and as may be amended or modified. Specifically, but not limited to, Seller shall not discriminate against any employee nor shall any party be subject to discrimination in the performance of this Agreement because of race, creed, color, sex, age, national origin, or disability.

ARTICLE 30 CONFLICT OF INTEREST

Seller shall notify Purchaser of any potential conflict of interest resulting from the representation of or service to other clients. If such conflict cannot be resolved to Purchaser's satisfaction, Purchaser reserves the right to terminate this Agreement.

ARTICLE 31 SOVEREIGN IMMUNITY

By entering into this Agreement with Seller, the State of Mississippi does in no way waive its sovereign immunities or defenses as provided by law.

ARTICLE 32 CONFIDENTIAL INFORMATION

32.1 Seller shall treat all Purchaser data and information to which it has access by its performance under this Agreement as confidential and shall not disclose such data or information to a third party without specific written consent of Purchaser. In the event that Seller receives notice that a third party requests divulgence of confidential or otherwise protected information and/or has served upon it a subpoena or other validly issued administrative or judicial process ordering divulgence of such information, Seller shall promptly inform Purchaser and thereafter respond in conformity with such subpoena to the extent mandated by state and/or federal laws, rules, and regulations. This Article shall survive the termination or completion of this Agreement, shall continue in full force and effect, and shall be binding upon the Seller and its agents, employees, successors, assigns, subcontractors, or any party or entity claiming an interest in this Agreement on behalf of or under the rights of the Seller, following any termination or completion of this Agreement.

32.2 With the exception of any attached exhibits which are labeled as "confidential", the parties understand and agree that this Agreement, including any amendments and/or change orders thereto, does not constitute confidential information, and may be reproduced and distributed by the State without notification to Seller. ITS will provide third party notice to Seller of any requests received by ITS for any such confidential exhibits so as to allow Seller the opportunity to protect the information by court order as outlined in ITS Public Records Procedures.

ARTICLE 33 EFFECT OF SIGNATURE

Each person signing this Agreement represents that he or she has read the Agreement in its entirety, understands its terms, is duly authorized to execute this Agreement on behalf of the parties, and agrees to be bound by the terms contained herein. Accordingly, this Agreement

shall not be construed or interpreted in favor of or against the State or the Seller on the basis of draftsmanship or preparation hereof.

ARTICLE 34 OWNERSHIP OF DOCUMENTS AND WORK PRODUCTS

All data, electronic or otherwise, collected by Seller and all documents, notes, programs, databases (and all applications thereof), files, reports, studies, and/or other material collected and prepared by Seller in connection with this Agreement, whether completed or in progress, shall be the property of Purchaser upon completion of this Agreement or upon termination of this Agreement. Purchaser hereby reserves all rights to the databases and all applications thereof and to any and all information and/or materials prepared in connection with this Agreement. Seller is prohibited from use of the above described information and/or materials without the express written approval of Purchaser.

ARTICLE 35 NON-SOLICITATION OF EMPLOYEES

Seller agrees not to employ or to solicit for employment, directly or indirectly, any of the Purchaser's employees until at least one (1) year after the expiration/termination of this Agreement, unless mutually agreed to the contrary in writing by the Purchaser and the Seller, and provided that such an agreement between these two entities is not a violation of the laws of the State of Mississippi or the federal government.

ARTICLE 36 ENTIRE AGREEMENT

36.1 This Agreement constitutes the entire agreement of the parties with respect to the subject matter contained herein and supersedes and replaces any and all prior negotiations, understandings, and agreements, written or oral, between the parties relating hereto, including all terms of any unsigned or "shrink-wrap" license included in any package, media, or electronic version of Seller-furnished software, or any "click-wrap" or "browse-wrap" license presented in connection with a purchase via the Internet. The RFP No. 3733 and Seller's Proposal in response to RFP No. 3733 are hereby incorporated into and made a part of this Agreement.

36.2 The Agreement made by and between the parties hereto shall consist of and precedence is hereby established by the order of the following:

- A.** This Agreement signed by both parties;
- B.** Any exhibits attached to this Agreement;
- C.** RFP No. 3733 and written addenda; and
- D.** Seller's Proposal, as accepted by Purchaser, in response to RFP No. 3733.

36.3 The intent of the above listed documents is to include all items necessary for the proper execution and completion of the services by the Seller. The documents are complementary, and what is required by one shall be binding as if required by all. A higher order document shall supersede a lower order document to the extent necessary to resolve any conflict or inconsistency arising under the various provisions thereof, provided, however, that in the event an issue is addressed in one of the above mentioned documents but is not addressed in another of such documents, no conflict or inconsistency shall be deemed to occur by reason

thereof. The documents listed above are shown in descending order of priority, that is, the highest document begins with the first listed document ("A. This Agreement") and the lowest document is listed last ("D. Seller's Proposal").

ARTICLE 37 STATE PROPERTY AND LOCATION OF WORK

37.1 Seller shall be responsible for the proper custody of any Purchaser-owned property furnished for Seller's use in connection with work performed pursuant to this Agreement. Seller shall reimburse the Purchaser for any loss or damage, normal wear and tear excepted.

37.2 All work provided in connection with this contract will be required to be performed on-site in the Purchaser's offices in Jackson, Mississippi, unless written approval is received from the State. Seller accepts full responsibility for all problems arising out of a decision to perform off-site work.

ARTICLE 38 SURVIVAL

Articles 9, 10, 11, 18, 22, 26, 31, 34, 35, and all other articles, which by their express terms so survive or which should so reasonably survive, shall survive any termination or expiration of this Agreement.

ARTICLE 39 DEBARMENT AND SUSPENSION CERTIFICATION

Seller certifies that neither it nor its principals: (a) are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency; (b) have, within a three (3) year period preceding this Agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (c) are presently indicted of or otherwise criminally or civilly charged by a governmental entity with the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and (d) have, within a three (3) year period preceding this Agreement, had one or more public transactions (federal, state, or local) terminated for cause or default.

ARTICLE 40 COMPLIANCE WITH ENTERPRISE SECURITY POLICY

Seller and Purchaser understand and agree that all products and services provided by Seller under this Agreement must be and remain in compliance with the State of Mississippi's Enterprise Security Policy. The parties understand and agree that the State's Enterprise Security Policy is based on industry-standard best practices, policy, and guidelines at the time of contract execution. The State reserves the right to introduce a new policy during the term of this Agreement and require the Seller to comply with same in the event the industry introduces more secure, robust solutions or practices that facilitate a more secure posture for the State of

Mississippi.

ARTICLE 41 STATUTORY AUTHORITY

By virtue of Section 25-53-21 of the Mississippi Code Annotated, as amended, the Executive Director of ITS is the purchasing and contracting agent for the State of Mississippi in the negotiation and execution of all contracts for the acquisition of information technology equipment, software, and services. The parties understand and agree that ITS as contracting agent is not responsible or liable for the performance or non-performance of any of Purchaser's or Seller's contractual obligations, financial or otherwise, contained within this Agreement.

ARTICLE 42 TRANSPARENCY

In accordance with the Mississippi Accountability and Transparency Act of 2008, §27-104-151, et seq., of the Mississippi Code of 1972, as Amended, the American Accountability and Transparency Act of 2009 (P.L. 111-5), where applicable, and §31-7-13 of the Mississippi Code of 1972, as amended, where applicable, a fully executed copy of this Agreement shall be posted to the State of Mississippi's accountability website at: <https://www.transparency.mississippi.gov>. Prior to Purchaser posting the Agreement to the website, any attached exhibits which contain trade secrets or other proprietary information and are labeled as "confidential" will be redacted by Purchaser.

ARTICLE 43 CHANGE ORDER RATE AND PROCEDURE

43.1 It is understood that the State may, at any time, by a written order, make changes in the scope of the project. No changes in scope are to be conducted or performed by the Seller except by the express written approval of the State. The Seller shall be obligated to perform all changes requested by the Purchaser which have no price or schedule effect.

43.2 The Seller shall have no obligation to proceed with any change that has a price or schedule effect until the parties have mutually agreed in writing thereto. Neither the State nor the Seller shall be obligated to execute such a change order; if no such change order is executed, the Seller shall not be obliged or authorized to perform services beyond the scope of this Agreement and the contract documents. All executed change orders shall be incorporated into previously defined deliverables.

43.3 With respect to any change orders issued in accordance with this Article, the Seller shall be compensated for work performed under a change order according to the hourly change order rate specified in Exhibit A, which is incorporated herein. If there is a service that is not defined in the change order rate, the Seller and the State will negotiate the rate. The Seller agrees that each change order rate shall be a "fully loaded" rate, that is, it includes the cost of all materials, travel expenses, per diem, and all other expenses and incidentals incurred by the Seller in the performance of the change order. The Seller shall invoice the Purchaser upon acceptance by the Purchaser of all work documented in the change order, and the Purchaser shall pay invoice amounts on the terms set forth in this Agreement.

43.4 Upon agreement of the parties to enter into a change order, the parties will execute such a change order setting forth in reasonable detail the work to be performed thereunder, the revisions necessary to the specifications or performance schedules of any affected project work plan, and the estimated number of professional services hours that will be necessary to implement the work contemplated therein. The price of the work to be performed under any change order will be determined based upon the change order rate; however, the change order will be issued for a total fixed dollar amount and may not be exceeded regardless of the number of hours actually expended by the Seller to complete the work required by that change order. The project work plan will be revised as necessary.

43.5 The Seller will include in the progress reports delivered under this Agreement the status of work performed under all then current change orders.

43.6 In the event the Seller and the State enter into a change order which increases or decreases the time required for the performance of any part of the work under this Agreement, the Seller shall submit to the Purchaser a revised version of the project work plan clearly indicating all changes at least five (5) working days prior to implementing any such changes.

43.7 The Purchaser shall promptly review all revised project work plans submitted under this Agreement and shall notify the Seller of its approval or disapproval, in whole or in part, of the proposed revisions, stating with particularity all grounds for any disapproval, within ten (10) working days of receiving the revisions from the Seller. If the Purchaser fails to respond in such time period or any extension thereof, the Purchaser shall be deemed to have approved the revised project work plan.

ARTICLE 44 RETAINAGE

To secure the Seller's performance under this Agreement, the Seller agrees that the Purchaser shall hold back as retainage twenty percent (20%) of each amount payable, including amounts payable under Change Orders, under this Agreement. The retainage amount will continue to be held until final acceptance of the system by the State and the expiration of the warranty period.

ARTICLE 45 LIQUIDATED DAMAGES

It is agreed by the parties hereto that time is of the essence and that in the event of a delay in the delivery and installation deadlines or delay in the satisfactory completion and acceptance of the services provided for herein, damage shall be sustained by Purchaser. In the event of a delay as described herein, Seller shall pay Purchaser, within five (5) calendar days from the date of receipt of notice, fixed and liquidated damages of \$500.00 per day for each calendar day of delay caused by Seller. Purchaser may offset amounts due it as liquidated damages against any monies due Seller under this Agreement. Purchaser will notify Seller in writing of any claim for liquidated damages pursuant hereto on or before the date Purchaser deducts such sums from money payable to Seller. Any liquidated damages assessed are in addition to and not in limitation of any other rights or remedies of Purchaser.

ARTICLE 46 ESCROW OF SOURCE CODE

46.1 With the execution of this Agreement, the Seller shall place and maintain a current copy of the data dictionary, Documentation, object code, and source code in escrow and shall furnish Purchaser with a copy of the escrow agreement and the name and address of the agent. The escrow agreement shall authorize the escrow agent to release, at no cost to Purchaser, the data dictionary, Documentation, object code, and source code to Purchaser if and when the Purchaser is deemed to have a right under this article. The Seller shall pay all costs of providing and maintaining the escrow agreement, including the fees of the escrow agent. The copy of the source code placed in escrow shall be reproduced and maintained on magnetic tape or disk using a commonly accepted data recording protocol. Program documentation sufficient to allow a competent programmer to use and maintain the source code programs must accompany the source code. When a change is made to the object code or source code by or on behalf of the Seller during the term of the escrow agreement, the revised code, including the change, shall be delivered to the escrow agent not later than thirty (30) calendar days after the change is effected by or on behalf of the Seller.

46.2 Provided that the Purchaser is not then in substantial default under this Agreement, the Seller shall provide to Purchaser, at no cost and within ten (10) calendar days after receipt of Purchaser's written request for it, one (1) complete copy of the data dictionary, Documentation, object code, and source code used in the preparation of the Software and custom modifications to the source code and object code as a result of this Agreement, brought up to date as of the date of delivery of such source code to Purchaser, upon the occurrence of any of the following events: (a) any or all material parts of the source code or object code is generally made available, with or without additional cost, to other users of comparable Software; or (b) the Seller's or the software manufacturer's cessation, for any reason, to do business; or (c) the Seller or the software manufacturer discontinues maintenance of the Software; or (d) bankruptcy, receivership, insolvency, reorganization, dissolution, liquidation, or other similar proceedings are instituted by or against the Seller or the software manufacturer.

46.3 Upon Purchaser's written request, the escrow agent shall promptly conduct, at Seller's expense, a Verification of the deposit materials in accordance with Purchaser's requirements and with the requirements herein stated. "Verification" as used herein, means a procedure or process to determine the accuracy, completeness, sufficiency and quality of the deposit materials at a level of detail reasonably requested by Purchaser. Verification may include, as required by Purchaser (or by a third party on behalf of Purchaser), file listing, compilation, size comparison, function comparison and on-line comparison services. A copy of the verification results shall be immediately provided by the escrow agent to the State.

46.4 Purchaser (or a third party on behalf of Purchaser) reserves the right from time to time and at any time to cause Verification of the deposit materials and to examine the deposit materials to verify conformance to the requirements of RFP No. 3733, the Seller's Proposal, as accepted by Purchaser, in response thereto, and this Agreement, all at Seller's expense. Except as otherwise required by Purchaser (or by a third party on behalf of Purchaser and reasonably approved by Seller), all Verification tasks shall be performed solely by employees of escrow agent and, at Purchaser's option, of Purchaser or a third party engaged by Purchaser (subject

to Seller's reasonable approval of Purchaser), without interference from Seller; provided, however, that if and to the extent requested by Purchaser (or by a third party on behalf of Purchaser), Seller shall at Seller's expense provide to escrow agent and/or Purchaser all reasonably necessary assistance and cooperation in connection with the performance of any Verification. Any Verification performed by the escrow agent or a third party engaged by the escrow agent (and acceptable to Purchaser) shall be performed in a good, workmanlike, timely and professional manner by qualified persons fully familiar with the requirements, materials and technology involved in performing such Verifications.

46.5 Seller shall, at its expense, implement a procedure whereby the escrow agent shall notify Purchaser of all deposits to the software escrow based on software release updates. It is understood and agreed that updates shall occur at least on a quarterly basis.

For the faithful performance of the terms of this Agreement, the parties have caused this Agreement to be executed by their undersigned representatives.

**State of Mississippi, Department of
Information Technology Services, on
behalf of Mississippi Board of Nursing**

INSERT VENDOR NAME

By: _____
Authorized Signature

By: _____
Authorized Signature

Printed Name: Craig P. Orgeron, Ph.D.

Printed Name: _____

Title: Executive Director

Title: _____

Date: _____

Date: _____

EXHIBIT A

Deliverable	Deliverable Due Date	Deliverable Amount	20% Retainage	Amount Paid

EXHIBIT B MISSISSIPPI PAYMENT PROCESSING

Mississippi Interactive (MSI) will serve as the single point of entry for all e-commerce transactions. Awarded vendor will use Mississippi's official payment processor for any of the following services where payment is required.

- Web services
- IVR services
- Mobile services
- Over the counter payment processing services
- Kiosk services
- Lock Box services

The following payment methods accepted through MSI include: Visa, MasterCard, American Express, Discover, electronic check and subscription (monthly billed).

DFA Administrative Rule

The Department of Finance and Administration (DFA) established an administrative rule to be followed when agencies, in accordance with §27-104-33, Mississippi Code of 1972, Annotated, elect to accept payment by credit cards, charge cards, debit cards, electronic check (echeck) and other form of electronic payments for various services and fees collectible for agency purposes. See Attachment 1 for Final Rule.

Payment Card Industry (PCI) Compliance

MSI will be responsible for Payment Card Industry (PCI) compliance on behalf of the State. MSI's Transaction Processing Engine (TPE) is certified compliant with the PCI Data Security Standard (DSS) and compliant with the Payment Application Best Practices (PABP) standards. It is also listed as a Validated Payment Application by VISA. TPE is hosted at NIC's Central Data Center in Ashburn Virginia and complemented with a backup facility in Allen, Texas. NIC is certified by PCI-DSS as a Level 1 Service Provider for this environment.

See Technical Requirements for notes to the PCI compliance responsibility of the awarded vendor.

Awarded vendor is prohibited from breaking out payment processing fees associated with any transaction. This includes all pages of the application and/or any receipt generated.

Acceptable fee break out can include a "subtotal" for services and a "Total ms.gov Price" or "ms.gov Order Total" which includes the eGov processing fee. See image below for example.

Transaction Summary

Description	Amount
Fines and Fees Payment	\$50.00
ms.gov Order Total	\$52.12

Transaction Detail

SKU	Description	Unit Price	Quantity	Amount
000000013	Elections Fees/Fines	\$50.00	1	\$50.00

Merchant of Record

In order to act as the single point of contact between the State, MSI, the payment processor, the

merchant acquiring bank, and end users of ms.gov services, MSI will be the “Merchant of Record” for this RFP. As the single point of contact for the State, MSI will work directly with the processor and the acquiring bank to request and set up merchant accounts and will be responsible for all areas of merchant services, including merchant fees.

eGov Transaction Fees

There will be standard payment processing fees associated with each payment transaction. Customer approval (electronic or otherwise) of MSI payment processing fees will be obtained prior to initiating payment.

ERP Updates (MAGIC)

MSI’s payment solution processes, currently integrated with SAAS, will be migrated to new ERP system, MAGIC, once it is implemented. Awarded vendor may be required to make additional changes for compliance.

Refunds, Chargebacks, Returns

As the merchant of record and official payment processor, MSI will handle all refunds, chargeback representations and returned echecks. However, MSI is not responsible for covering any monies that must be netted from the agency’s account through refund, successful chargeback or returned echeck. Below are the processes for each.

Refunds

The refund process is initiated by either customer or agency request.

- Upon customer request MSI will contact the agency financial contact (established at project initiation) for approval prior to refund
- Agency contacts have access to and are encouraged to use the MSI refund tool for their refund requests. This ensures adequate logs of all requested refunds
- After agency request or approval MSI refunds the charge in TPE and notifies the requestor upon completion
- Through SAAS refunds are netted from the next day’s deposits

Chargebacks

A chargeback is a monetary dispute that is initiated by the Issuing Bank (issuer disputes the posting of the transaction) or the cardholder (a cardholder disputes a transaction).

- Customer or card issuing bank sees what appears to be a suspicious charge on their statement.
- The customer contacts the card company to dispute the charge and initiate the chargeback process. Note: depending on the company policies of the company that issued the card the company may initiate the chargeback without customer notification.
- MSI receives a chargeback email from our processor notifying us of the transaction details of the chargeback. Once this notification is received the processor pulls the funds back from the Portal account until supporting documentation is obtained. (MSI’s processor has 45 days from the time the customer disputes the charge to contact MSI for additional information.)
- Based on the information provided in the chargeback notification MSI researches the charge internally first.
 - If the disputed charge is a true duplicate charge (same customer information, amount, etc), MSI allows the chargeback to process and it is automatically marked in TPE.
 - For all non-duplicate charges MSI contacts the appropriate agency contact(s) (financial contact gathered at project initiation) by email to explain the chargeback, provide charge details and verify with the contact that it is a valid charge. If needed MSI

requests the agency provides any additional information they may have to support the claim.

- If the charge is valid MSI will provide the sales drafts (chargeback receipt, TPE receipts, agency support etc) back to the processor to support the charge validity.
- After the charge is verified through receipt of sales drafts the chargeback will be reversed and the funds will be deposited back to the agency.

Note: The chargeback process could take up to 60 days to resolve.

Returns

Electronic checks (echeck)/ACH payments (where a user enters an account and routing number) may be returned unpaid for any reason, including non-sufficient funds (NSF), stop payment, online data entry error or closed account. A full list of return codes is listed below:

- R01 - Insufficient Funds - Available balance is not sufficient to cover the dollar value of the debit entry.
- R02 - Account Closed - Previously active account has been closed by customer or RDFI.
- R03 - No Account/Unable to Locate Account - Account number structure is valid and passes editing process, but does not correspond to individual or is not an open account.
- R04 - Invalid Account Number - Account number structure not valid; entry may fail check digit validation or may contain an incorrect number of digits.
- R05 - Improper Debit to Consumer Account - A CCD, CTX, or CBR debit entry was transmitted to a Consumer Account of the Receiver and was not authorized by the Receiver.
- R06 - Returned per ODFI's Request - ODFI has requested RDFI to return the ACH entry (optional to RDFI – ODFI indemnifies RDFI).
- R07 - Authorization Revoked by Customer - Consumer, who previously authorized ACH payment, has revoked authorization from Originator (must be returned no later than 60 days from settlement date and customer must sign affidavit).
- R08 - Payment Stopped - Receiver of a recurring debit transaction has stopped payment to a specific ACH debit. RDFI should verify the Receiver's intent when a request for stop payment is made to insure this is not intended to be a revocation of authorization.
- R09 - Uncollected Funds - Sufficient book or ledger balance exists to satisfy dollar value of the transaction, but the dollar value of transaction is in process of collection (i.e., uncollected checks) or cash reserve balance below dollar value of the debit entry.
- R10 - Customer Advises Not Authorized - Consumer has advised RDFI that Originator of transaction is not authorized to debit account (must be returned no later than 60 days from settlement date of original entry and customer must sign affidavit).
- R11 - Check Truncation Entry Returned - used when returning a check safekeeping entry; RDFI should use appropriate field in addenda record to specify reason for return (i.e., "exceeds dollar limit," "stale date," etc.).
- R12 - Branch Sold to Another DFI - Financial institution receives entry destined for an account at a branch that has been sold to another financial institution.

Typical Return Process

- User enters echeck information in the ms.gov common checkout page
- TPE captures the information and sends to payment service provider
- The service provider submits a request to the payer's bank to retrieve the funds
- Payer's bank reports back one of the aforementioned return codes to the services provider
- Service provider notifies MSI and the return is marked in TPE

- Funds are electronically pulled from the agency through the daily SAAS payment interface file. MSI contacts the individual(s) responsible for agency funds (contact obtained during project initiation) by email to let them know of the return and reason.

Hardware Acquisition

Due to the payment key injections required for hardware to be compatible with MSI's PCI compliant payment processor, any hardware must be acquired through MSI's existing eGov contract. This includes, but is not limited to, kiosks, pin pad/card swipe, mobile devices etc.

Application Testing

For all new services DFA requires a test transaction to be run for flow of funds and processor verification. After MSI receives confirmation the awarded vendor is satisfied with the integration, one test must be run through production TPE and confirmed by MSI.

It takes three (3) business days (excluding bank holidays) for the transaction to be confirmed by DFA. Awarded vendor should take this time frame into consideration when anticipating launch date.

Reporting

TPE provides reporting and auditing tools useful for streamlining and accommodating various back-office procedures. TPE's financial reporting is comprehensive, flexible, and robust. Within TPE all payment processing data is made available via a wide variety of reporting features. Reports are real-time, up-to-the-minute transaction reporting ranging from summary reports to detail reports showing line-item level data. A comprehensive users guide and applicable training will be provided to agency contacts during integration.

Payment Support

Mississippi Interactive will provide support for all user payment inquiries. MSI is located at 200 S. Lamar St., Suite 800, Jackson, MS 39201 and customer payment support is available during normal business hours (Monday – Friday 8am – 5pm CST). MSI's toll free support number (1-877-290-9487) is listed on the ms.gov Common Checkout page and is accessible to all users. For payment emergencies a technical support cellular number will be provided to the State contact.

MSI will work directly with the awarded vendor and/or the agencies to identify, report, track, monitor, escalate, and resolve any technical issues with TPE or CCP. It is MSI's policy to notify all awarded vendors and agencies of planned maintenance windows or system updates to avoid any payment issues.

State entities and/or awarded vendors will not be charged for MSI's efforts during payment implementation or any training/support.

Technical Requirements

Mississippi's payment solution is designed to provide two methods of integration: CommonCheckout (where the user clicks on a "Pay Now" button and is transferred to a set of common checkout pages branded for ms.gov), and DirectConnect (where the application has self-contained checkout pages and will call TPE for verification and capture once all payment information has been entered). In both of these instances, the awarded vendor will utilize standard web services protocols.

The CommonCheckout integration is required by ITS and DFA. Should special circumstances arise where the CommonCheckout is not applicable and/or the DirectConnect option is required, approval from both State agencies is mandatory.

High level descriptions of the integration requirements are included in this section. For detailed documentation please contact Brandon Ward, Mississippi Interactive's Director of Technology, at brandon@msegov.com.

CommonCheckout (CCP)

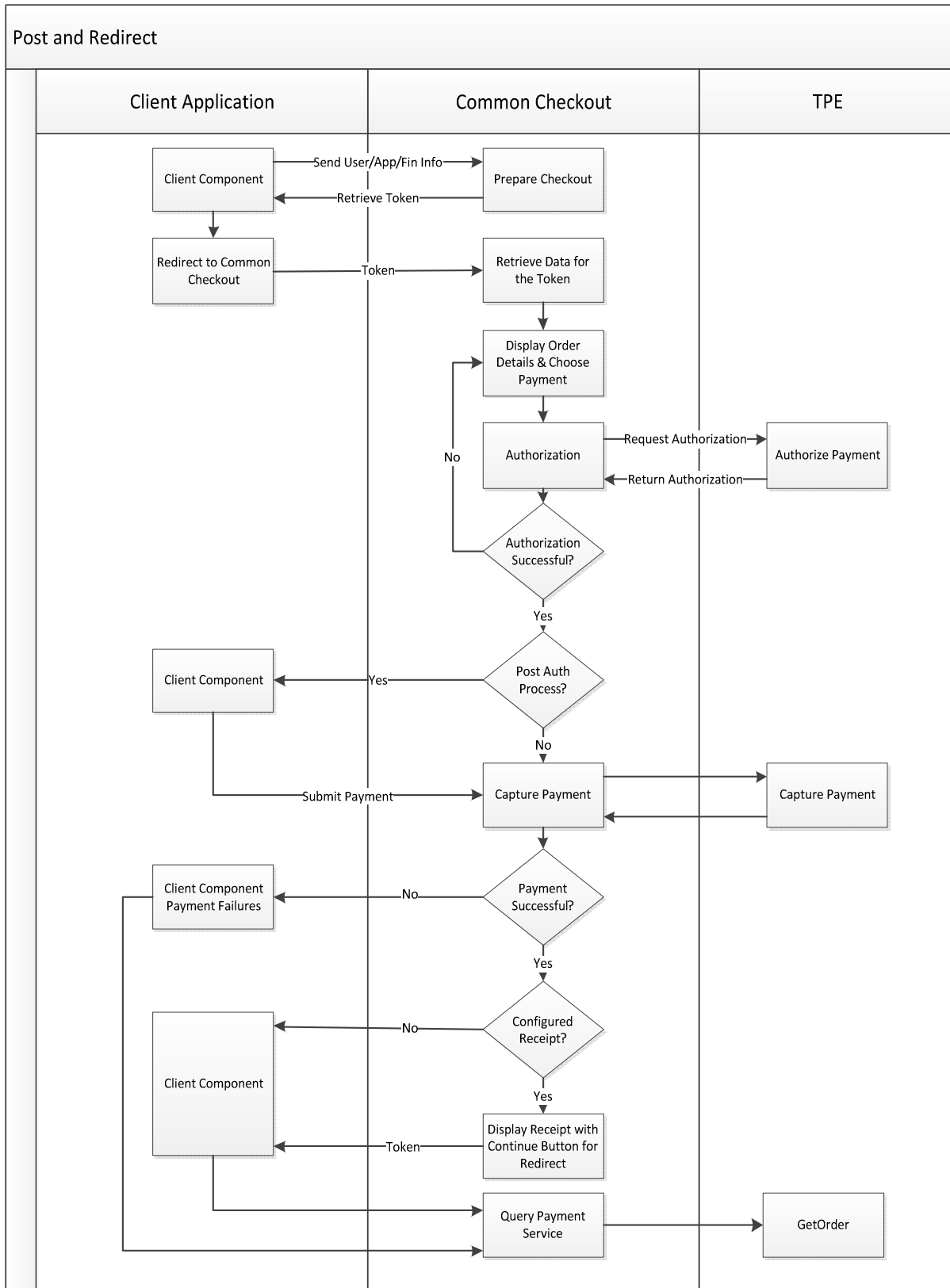
When utilizing CommonCheckout, the calling application is not responsible for collecting the credit card or banking information. Instead, the application sends the transaction data to the CommonCheckout interface which collects and processes all payment information. The CommonCheckout interface will then return to the calling application all transaction status details and information related to the transaction.

CCP Option 1: Server-side Web Service Calls and Browser-side Redirect

The partner application is required to invoke Prepare Checkout Operation on the Common Checkout web service that is passing along the financial/customer/application information.

- The Web Service operation returns a token back in the SOAP response. The token is required as a hidden field on the form post to the Common Checkout web application or a redirect.
- The Prepare Checkout Service returns the token back. This token is required as a hidden field on the form post or query string to the Common Checkout web application.
- When the customer chooses to continue with the payment by clicking a form button on the partner screen, the browser redirects to the Common Checkout web application.
- The Common Checkout web application retrieves the customer/financial/application data associated with the token and displays it on the payment page.
- Upon submission of the payment, Common Checkout redirects to the partner application or displays a receipt page, based on the configuration. In the latter case, the redirect to the partner application happens when a customer clicks a button on the receipt screen.
- The partner application is required to do a call back to the Query payment web service by sending the token. The service will return the transaction information back in the SOAP response. This ensures authenticity of the payment.

The following figure outlines a typical process flow for a CommonCheckout transaction.



CCP Option 2: Server-side Name-Value-Pair HTTPS Posts and Browser-side Redirect

The partner application is required to send the financial/customer/application information as multiple name/value pairs using HTTPS POST to the Prepare Checkout Post URL.

- The Prepare Checkout Service returns a token-based transaction identifier, which is required as a hidden field on the form post or query string to the Common Checkout web application.
- When the customer chooses to continue with the payment by clicking a form button on the partner screen, the browser is redirected to Common Checkout web application.
- The Common Checkout web application retrieves the customer/financial/application data for the transaction identified by the associated token and displays it on the payment page.
- Upon submission of the payment, Common Checkout redirects to the partner application or displays a receipt page, based on the configuration. In the latter case, the redirect to the partner application happens once a customer clicks a button on the receipt screen.
- The partner application requires a call back to the Query payment HTTP service by sending the token. The service returns the payment detail back as name value pairs. This ensures authenticity of the payment.

DirectConnect

The second scenario is to use the Application Programming Interfaces (“API’s”) that are available to developers. In this scenario, agency or third party developers write applications that include the checkout pages. Customers fill out all payment information within the application, and once captured, the application communicates with TPE using a standard API. TPE processes the payment, based on payment type, and returns either a success or failure code back to the calling application. Based on the code, the calling application displays either a receipt back to the customer or the reason for the failure. TPE supports multiple API’s including:

- Java
- .NET
- Perl
- PHP

Note: If the DirectConnect method is approved by ITS and DFA the awarded vendor must provide MSI and the State proof of their software’s (and any applicable hardware) PCI compliance.

DirectConnect Integration Outline

Before a payment can be processed inside of TPE, an *Order* must be established. An Order is the basic transaction container in TPE. It is a detailed request for certain goods or services and represents all the instructions and information needed from the customer for the merchant to collect money. An order contains information about the customer, items purchased, fees and taxes, payment information, billing address, shipping address, and so forth.

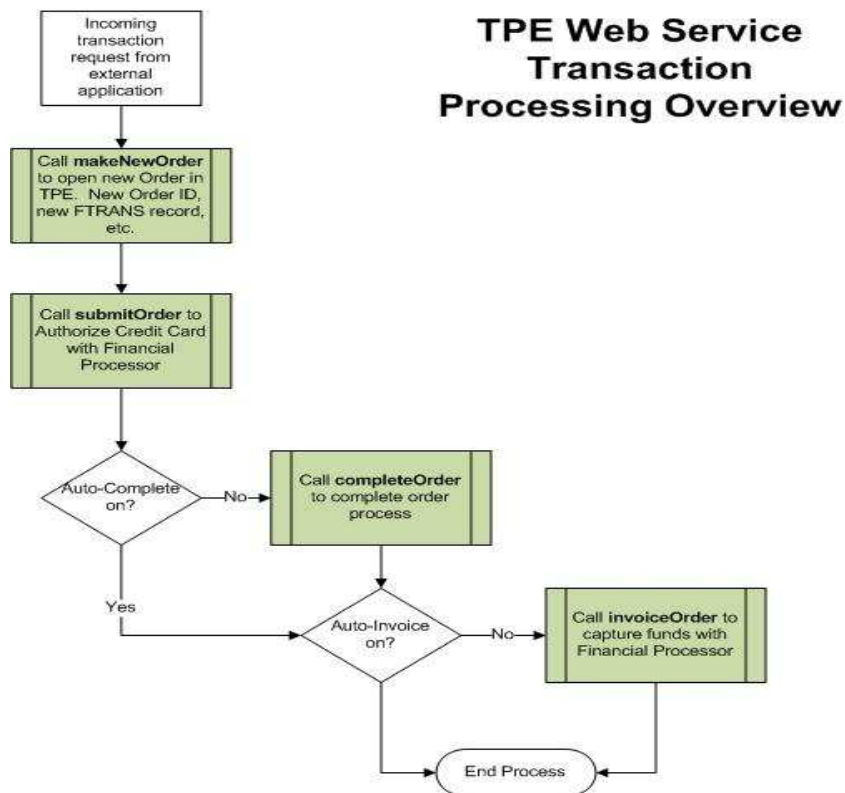
TPE uses the term *order*, along with the terms *payment* and *credit* to represent payment data for all electronic payments. An order is created by the client application while the customer is placing an order for goods or services. Transactions flow between the merchant and the financial institution during the life cycle of the order. These transactions can be broken into two broad categories: *payments* (monies transferred to the merchant from the customer) and *credits* (monies returned to the customer, such as when goods or services are returned and payment is refunded). As order processing

continues, payments and credits are created and modified.

The basic steps for creating an Order and processing a payment are as follows:

1. Submit a new Order Request to TPE. The client application will create a request that includes a Merchant Id, a Merchant Key, and a Service Code. These are pre-defined security parameters that are configured within TPE. If the request is successful, TPE will return an empty order container to the client application.
2. Inside of this container, the application will set the Payment Implement (Credit Card, ACH, Cash, etc.), customer payment information, billing information, transaction line items and amounts, and any other information necessary for processing the payment.
3. Submit the Order. Once the Order container has been filled by the calling application, it will be submitted for authorization. TPE will do preliminary validations on the Order before submitting it to the Merchant Service Provider for authorization. If there is an error with the Order, TPE will return that information back to client application, or it will return back that the authorization was successful.
4. Complete the Order. This call to TPE informs the system that the order is complete and ready to be invoiced.
5. Invoice the Order. This step is where money transfer (i.e., Capture) is initiated. The invoice takes the information from the Order, and is then submitted to the Merchant Service Provider for Capture/Settlement.

The following figure outlines a typical process flow for a Direct Connect transaction.



Charges Table Connection

The Mississippi Department of Information Technology Services (ITS) has developed the Mississippi Charges Web Service to supply application programs with data from the charges table. This data is required by the Agency application to build a valid MSI electronic payment request. The item type, item description, and item cost, for each item sold, must be submitted in the transaction request for payment authorization.

Service Use

The primary purpose of the web service is to provide the charges data for a requested application. The method that performs this function is `getCurrentCharges` and requires a `chargesInput` object as the input parameter. A `getCurrentChargesResponse` object is returned.

- `getCurrentCharges(chargesInput)`

DFA updates the charges table each night just before midnight. The agency application is responsible for obtaining and using the current charges information. Good practice is to obtain the charges data at least daily.

Charges Use in MSI Common Checkout

The `ChargeItem` data will become the basis for a line item that is sent to the CCP in the Prepare Checkout call. The table below maps the line item fields referenced in the CCP interface to their related `ChargeItem` value. In the CCP Prepare Checkout service call, line items are sent in as an array of `lineItems`.

CCP Line Item element	Field Description	Field used from Charges Item
<code>LineItem.SKU</code>	Item identifier used in backend SAAS funds distribution.	<code>ChargeItem.itemType</code>
<code>LineItem.Description</code>	Description of the item being purchased.	<code>ChargeItem.description</code>
<code>LineItem.Unit Price</code>	Cost of 1 of this item.	<code>ChargeItem.amount</code>
<code>LineItem.Quantity</code>	Quantity of the item being purchased.	Computed by the application.

EXHIBIT C
FINAL RULE
MISSISSIPPI DEPARTMENT OF FINANCE AND ADMINISTRATION
ADMINISTRATIVE RULE
PAYMENTS BY CREDIT CARD, CHARGE CARD, DEBIT CARDS OR OTHER FORMS
OF
ELECTRONIC PAYMENT OF AMOUNTS OWED TO STATE AGENCIES

The Department of Finance and Administration (DFA) has established the following Administrative rule to be followed when agencies, in accordance with §27-104-33, Mississippi Code of 1972, Annotated, elect to accept payments by credit cards, charge cards, debit cards, electronic check and other forms of electronic payment for various services and fees collectible for agency purposes.

I. Definitions

- A. Electronic payments: Consumer and business initiated payments, whether made through the Internet or in person, for various services and fees using any of the following payment instruments: credit cards, bank cards, charge cards, debit cards, electronic checks, or direct debits via electronic funds transfer.
- B. ACH: Automated Clearing House. Affiliated with the U. S. Treasury and the Federal Reserve System and used as the conduit for electronic payments and collections. The ACH is the settlement vehicle for electronic payments. The ACH is also used to transport direct debit and credit transactions to consumer bank accounts.
- C. Application Service Provider (ASP): An application service provider (ASP) provides computer-based services to customers over a network. The most limited definition is that of providing access to a particular application program (such as license renewals, registrations, etc.) using a standard protocol such as HTTP. ASP applications for purposes of this rule are those which accept electronic payments either through a browser-based application, or other revenue input sources.
- D. DFA: Mississippi Department of Finance and Administration.
- E. EOC FEE: Electronic Government Oversight Committee (EOC) Fee. This fee is used to offset the costs associated with providing electronic services and operating the electronic portal (www.mississippi.gov) at ITS. §25-53-151 (2) of the Mississippi Code defines the EOC. All transactions must include an EOC fee unless ITS has granted express written exemption of this fee for a specific Agency application or has granted approval for the Agency to absorb and directly remit the EOC fees associated with transactions for a specific application to DFA payable to State Treasury Fund 3126.
- F. Consumer: Consumer, for purposes of these rules, may be any individual person or business representative who initiates a transaction involving electronic payment.
- G. Convenience Fee: Convenience fee is the payment-processing fee as calculated and approved by the Department of Finance and Administration (DFA). No other fees,

including the EOC fee, will be defined as convenience fees. All transactions must include a convenience fee unless DFA has granted express written approval for the Agency to absorb the payment processing costs associated with the transactions for a specific transaction and for the agency to remit those fees to DFA payable to State Treasury Fund 3126.

- H. ITS: Mississippi Department of Information Technology Services.
- I. Point of Sale: Point of Sale (POS). Payments made “over the counter” for fees for services. For the purposes of electronic payments in Mississippi, agencies desiring to accept “over the counter” electronic payments must have a POS application. POS applications may be: A web-based system where all payment information is keyed into the application by the client or a “card swipe” application similar to those found in commercial enterprises. POS applications must be certified to meet PCI Compliance Standards.
- J. SAAS: Statewide Automated Accounting System.
- K. SPI: SAAS Payment Interface. The SPI defines the accounting entries used to record all electronic payment transactions.
- L. Record Keeping: An agency must establish and maintain financial records and keep them available for the purposes of audit. The record keeping procedures must include the capture of the details of the electronic payments, associated fees, and supporting reconciliation documentation.
- M. Payment Card Industry – Data Security Standards: PCI-DSS is the result of collaboration between the major credit card brands to develop a single approach to safeguarding sensitive data. PCI-DSS defines a series of requirements for handling, transmitting, and storing sensitive data. The PCI-DSS standards can be found at <https://www.pcisecuritystandards.org>.
- N. Self-Assessment Questionnaire (SAQ): The PCI Data Security Standard Self-Assessment Questionnaire is a validation tool intended to assist merchants and service providers in self-evaluating their compliance with the Payment Card Industry Data Security Standard (PCI DSS).
- O. Payment Application Approved Scanning Vendor (PA-ASV): Organizations that validate adherence to certain DSS requirements by performing vulnerability scans of Internet facing environments of merchants and service providers.
- P. Payment Application Qualified Security Assessor (PA-QSA): Companies or employees that have been certified by the Payment Card Industry Security Standards Council to validate an entity’s adherence to the PCI PA-DSS.
- Q. Cardholder Data: Data that includes cardholder full name, full account number, expiration date, service code, full magnetic stripe, PIN/PIM Block or Card Validation Code (e.g., three-digit or four-digit value printed on the front or back of a payment card). Card Validation Code is also known as the CVV2 or CVC2 code.

- R. Sensitive Cardholder Data: Data includes Card Validation Code (e.g., three-digit or four digit value printed on the front or back of the payment card (e.g., CVV2 and CVC2 data)).
- S. Payment Application Data Security Standards (PA-DSS): A program managed by the Payment Card Industry Security Standards Council (PCI SSC). PA DSS is a set of standards designed to assist software vendors in developing secure payment applications that comply with PCI-DSS requirements.

The PA-DSS standards can be found at <https://www.pcisecuritystandards.org/>.

- T. Revenue Input Source: Electronic transactions from Web-based, Point of Sale (POS), Interactive Voice Response (IVR), Over the Counter Sales, etc.
- U. §27-104-33. Payment by credit card, charge card, debit card, or other form of electronic payment amounts owed to state agencies.

The State Department of Finance and Administration shall establish policies that allow the payment of various fees and other accounts receivable to state agencies by credit cards, charge cards, debit cards and other forms of electronic payment in the discretion of the department. Any fees or charges associated with the use of such electronic payments shall be assessed to the user of the electronic payment as an additional charge for processing the electronic payment.

Agencies with the approval of the Department of Finance and Administration may bear the full cost of processing such electronic payment if the agency can demonstrate to the department's satisfaction that they are able to assume these costs and provide the related service for the same or lesser cost.

II. Approvals for Internet-based Applications and Services for State Agencies

- A. E-government applications and services require additional review and approval by ITS and by DFA (in contrast to traditional software applications.) Because of the multiple costing models used by vendors for e-government applications, as well as the necessity for ensuring appropriate security for all public-facing applications, the normal ITS procurement delegations to agencies do not apply for these types of acquisitions. In addition, DFA must approve and schedule any implementations that involve payments. See 001-025 Approvals for Internet-based Applications and Services in the ITS Procurement Handbook. <http://dsitspe01.its.ms.gov/its/procman.nsf/TOC4?OpenView>

III. Payment Applications - Fees Paid By Consumer

- A. Agency applications accepting payments shall use the third party electronic payment processor designated by DFA to accept electronic payments for various services and fees collectible for agency purposes unless express written approval is given by DFA for the use of an alternate payment processor.

1. Designated payment processor is to be used regardless of where the application is hosted (agency, ITS, third-party).
 2. Rules for obtaining approval of an alternate payment processor are found in Section V.
- B. The services provided by the processor and the fees for such services shall be set forth in the contract approved by the State. All such agreements are considered e-government agreements and are under the purview of ITS (see 001-020 Acquisitions within ITS Purview, item 3, in the ITS Procurement Handbook).
- C. Funds will be deposited in the account designated by the State Treasurer and transferred to the designated agency funds in SAAS once the bank deposit is balanced.
- D. The payment processor will support, as a separate line item on the transaction payment summary presented to the customer, the convenience fee for the service and fee payment due the agency.
- E. DFA will provide the software components to be used by agency applications in calculation of the convenience fee associated with a particular fee or services payment.
1. The standard calculation used by the software ensures the total cost to process the electronic payment is passed to the consumer.
 2. The software components are collectively known as the “charges client”.
- F. The application must inform the consumer of the total amount of the convenience fee that will be added to the fee or service billing before such charges are assessed. The consumer must be able to cancel the transaction at this point without any fee being assessed.
- G. The convenience fee and EOC fee shall be plainly included and identified on the electronic receipt provided to the consumer.
- H. The convenience fee charged to the consumer and noted in the financial records for verification purposes:
1. Will be recorded in SAAS as a revenue receipt in DFA fund 3126 (known as the Mississippi.Gov Portal fees Fund).
 2. Will not flow through agency accounting journals.
- I. The portion of the convenience fee owed the electronic payment processor shall be directly withheld by the processor, then aggregated with other fees for that application and recorded appropriately as an expenditure transaction against the Mississippi.Gov Portal Fees Fund.

- J. Any rejected items returned to DFA by the designated third party processor will be forwarded to the appropriate agency for handling after being netted out of the settlement for the day.
- K. Revenues for all fees and services shall be recorded at gross in SAAS as revenue, as specified by the agency on the SAAS electronic payment distribution tables.
- L. Actual processing costs to include fees for authorization, settlement, and Electronic Government Oversight fees, will be recorded as expenditures as specified by the Agency on the SAAS electronic payment distribution tables.

IV. Payment Applications - Fees Paid By Agency

- A. Agencies desiring to pay all fees associated with electronic processing of payments must demonstrate to DFA their ability to do so and receive express written approval from DFA. Requirements for requesting approval are outlined in section VI of these rules.
- B. Agency applications accepting payments shall use the third party electronic payment processor designated by DFA to accept electronic payments for various services and fees collectible for agency purposes unless express written approval is given by DFA for the use of an alternate payment processor.
 - 1. Designated payment processor is to be used regardless of whether the particular application is a POS application, an application hosted through the Mississippi.gov infrastructure, or an application hosted through other ASPs.
 - 2. Rules for obtaining approval of an alternate payment processor are found in section V.
- C. The services provided by the processor and the fees for such services shall be set forth in the contract approved by the State. All such agreements are considered e-government agreements and are under the purview of ITS (see 001-020 Acquisitions within ITS Purview, item 3, in the ITS Procurement Handbook).

<http://dsitspe01.its.ms.gov/its/procman.nsf/TOC4?OpenView>
- D. Funds will be deposited in the account designated by the State Treasurer and transferred to the designated agency funds in SAAS once the bank deposit is balanced.
- E. Revenues for all fees and services shall be recorded at gross in SAAS as revenue as specified by the agency on the SAAS electronic payment distribution tables.
- F. Actual processing fees to include fees for authorization, settlement, and Electronic Government Oversight fees, will be recorded as expenditures as specified by the agency on the SPI distribution tables. These fees will be applied against the day's settlement for the agency.

- G. Any rejected items returned by the designated third party credit card/or other electronic processor to DFA will be forwarded to the appropriate agency for handling after being netted out of the settlement for the day.

V. Approval of an Alternate Payment Processor

- A. An agency wishing to use an alternate payment processor must submit a written request to the Department of Finance and Administration, Office of Fiscal Management, Attn: Portal Transactions, 501 North West Street, Suite 701 B, Jackson, MS 39201.
- B. The written request must state:
 - 1. The reason(s) the State-approved payment processor is not suitable for the agency application.
 - 2. The impact if the request is not granted.
- C. The application must be approved by DFA prior to entering into the procurement process for the alternate payment processing services.
- D. The agency must state what payment processors are available that meet their needs.
- E. The agency must describe the agency application including:
 - 1. The agency program supported.
 - 2. The items (services and fees) offered for sale.
 - 3. The individual item costs.
 - 4. The estimated usage of the processor (i.e., the number of transactions that will occur per fiscal year).
 - 5. An estimate of the processing costs “per transaction” for the items to be sold.
 - 6. The costs associated with the use of an alternate payment processor including, but not limited to, purchased and leased equipment, training, and contractual services.
- F. The agency must acknowledge that if DFA approves the agency’s request to pursue alternate payment processing services:
 - 1. Funds will be deposited in the account designated by the State Treasurer and transferred to the designated agency funds in SAAS once the bank deposit is reconciled and balanced by the agency. DFA will not perform this reconciliation and will not approve the transfer of funds to SAAS until proof of reconciliation is provided.

2. Any request for an exception to the above reconciliation requirement must be clearly documented in the request for the alternate payment processor.
- G. The service must be legally procured following the rules for technology procurement. All such services are considered e-government services, and are within the purview of ITS even if those services are offered at no cost to the agency. (See 001-020 Acquisitions within ITS Purview, item 3, in the ITS Procurement Handbook):
- <http://dsitspe01.its.ms.gov/its/procman.nsf/TOC4?OpenView>
1. DFA will be an active participant in the procurement, implementation, and acceptance of the alternate payment processor before the application supported is certified for production operations.
 2. DFA, at its discretion, may require that DFA be a party to the contract.
- H. The alternate payment processor and/or 3rd party vendor must work with DFA to interface daily settled transactions and any associated fees into SAAS via the Cash Receipts (CR) interface or the SPI.
- I. Agencies are required to collect any State required fees, such as EOC fees.
- J. Approval under this section shall not relieve an agency of its responsibility concerning other sections of this rule.

VI. Approval for All Fees to Be Paid By Agency

- A. An agency wishing to obtain approval to bear the full cost of processing electronic payments should address the written request to the Department of Finance and Administration, Office of Fiscal Management, Attn: Portal Transactions, 501 North West Street, Suite 701 – B, Jackson, MS 39201.
- B. The request must state whether the application is web-based or of another type (example: submission of a file of EFT debits for mortgage payments).
- C. The agency must describe the agency application including:
 1. The agency program supported.
 2. The items (services) offered for sale or collections.
 3. The individual item costs.
 4. An estimate of the processing cost “per transaction” for the items (services) to be sold.
- D. The agency must state whether the agency or the consumer will pay the EOC fee.
- E. The agency request must clearly:

1. Document whether the request is for an application where the consumer can purchase only a single item or service at a time (example: drivers' license renewals) or a shopping cart model where multiple items may be purchased (example: hunting and fishing licenses).
 2. Demonstrate a dollar neutral cost or cost saving to the agency when absorbing the processing fees rather than having the consumer pay the fees projected over a fiscal year. All assumptions must be documented.
 3. Demonstrate that the funds to defray the total cost of electronic processing will be available projected over a fiscal year. All assumptions must be documented.
- F. The agency must acknowledge that it will be required to set aside cash/authority at a specified minimum limit in a specified fund to cover expenses (debits) associated with the agency's transactions for the following:
1. Authorization and settlements fees
 2. Refunds
 3. Chargebacks
 4. Voids
 5. Returned items charges
- G. Approval under this section implies that the agency accepts and understands that the application will not be certified for production until such time as complete end-to-end testing is approved by DFA.
1. Testing will include financial settlement testing of all payment types.
 2. Testing will include refunds and chargebacks.
 3. Testing will include full reconciliation using the procedures developed by the Agency for that purpose.

VII. Waiver of the EOC Fee

- A. All requests to waive EOC fees must be addressed to Department of Information Technology Services, Attention: E-government Oversight Committee, 301 North Lamar Street, Suite 508, Jackson, MS 39202.

VIII. Third Party Processing and Fulfillment Costs

- A. §7-7-9, Mississippi Code (Laws of 1972) states the following:

"The Mississippi General Accounting Office shall maintain a complete system of general accounting to comprehend the financial transactions of every state department, division, officer, board, commission, institution or other agency owned or

controlled by the state, except those agencies specifically exempted in Section 7-7-1, whether at the seat of government or not and whether the funds upon which they operate are channeled through the State Treasury or not, either through regular procedures having to do with the issuance of the State Fiscal Officer receipt warrants and disbursement warrants or through controls maintained through reports filed periodically as required by the State Fiscal Officer in accordance with the reporting provisions contained in said Section 7-7-1.

All Transactions in public funds, as defined in Section 7-7-1, shall either be handled directly through the State Fiscal Officer and the State Treasury, or shall be reported to the State Fiscal Officer at the times and in the form prescribed by the State Fiscal Officer and the Legislative Budget Office, so that a complete and comprehensive system of accounts of the fiscal activities of all state governmental agencies shall be made available at all times in the General Accounting office.

- B. This policy is established by the Department of Finance and Administration, Office of fiscal Management (OFM) for direct or indirect payment to vendors to support internal business functions in the fulfillment of orders and completion of transactions initiated in person or through the Internet. These transactions may include, but are not limited to, the collection of taxes, issuance of licenses, production of reports, and other collections or payments for services that are conducted by agencies in their normal course of business.
- C. Any cost incurred directly (by an agency) or indirectly (passed directly to the consumer) for a party to complete agency business transactions must be reflected as a cost of doing business for this agency. To do otherwise would not fully disclose costs of the State to conduct business or reflect revenue generated by a vendor who is providing services under contract for the State of Mississippi. Likewise, any charge to the consumer for processing these transactions should be recognized by the agency as revenue.
- D. Agencies will report revenues and expenses on a Journal Voucher (JV) according to the Mississippi Agency Accounting Policy and Procedure (MAAPP) Manual, Section 16. The JV will be created within 5 workdays of the end of the fiscal quarter.

IX. Payment Card Industry – Data Security Standards (PCI-DSS)

- A. State agencies accepting credit and/or debit cards will comply with Payment Card Industry – Data Security Standards (PCI- DSS) to safeguard cardholder and sensitive cardholder data, regardless of revenue input source.
- B. To assist agencies in complying with PCI–DSS mandates, state agencies will use Project Number 37081, a Professional Services Agreement Between Coalfire Systems, Inc. and the Mississippi Department of Information Technology Services on Behalf of the Agencies and Institutions of the State of Mississippi. To request services under this agreement see <http://www.its.ms.gov/PCI.shtml>.
 - 1. Agencies will attend a Self-Assessment Workshop when scheduled by DFA and ITS.

2. Agencies will complete a Self-Assessment Questionnaire (SAQ) and participate in interviews to evaluate their current operations and network. If an agency accepts credit cards via mail, manually or other non-Internet means, the Self-Assessment Questionnaire is still required. Additionally, there may be other operational security issues the agency will need to address.
 3. All agencies will have quarterly scans on all Internet-facing Internet Protocol (IP) addresses used in the processing and storing of credit card data under the Professional Services Agreement between Coalfire Systems, Inc. and ITS.
 4. Agencies will make a good faith effort to correct deficiencies identified in the remediation plan and provide status or remediation tasks as requested by DFA and ITS.
- H. Agencies that do not participate in PCI-DSS cannot accept credit cards/debit cards as a form of payment. If an agency is found accepting credit/debit cards as payment and has not completed the steps for PCI compliance, DFA under the authority of §27-104-33, will issue the agency a cease and desist letter to close the system down. To request an appeal see Section XII.

X. Development/Hosting Options and Ultimate Responsibility for PCI-DSS and Fines and Penalties

- A. Agencies are responsible for ensuring their vendors are PCI-DSS compliant. Vendors will use Payment Application Data Security Standards (PA-DSS) to develop applications. The PA-DSS standards can be found at <https://www.pcisecuritystandards.org/>.
- B. Should an agency wish to move the hosting of their applications to Mississippi Department of Information Technology Services (ITS), the agency will bear the responsibility and cost to bring the application into PCI compliance before it is transferred to ITS. The agency will ensure the transfer takes place no later than 90 days after the last PCI scan. Another scan will occur after the transfer to ITS and the agency will be responsible for all PCI non-compliance items.

C. The following table is a general guideline for PCI-DSS responsibility and liability:

System Type or Web Development/Hosting	Responsible Entity
ITS Developed/ITS Hosted	State is responsible for PCI compliance, fines and penalties
Agency Developed/ITS Hosted	State is responsible for PCI compliance, fines and penalties for state network infrastructure. The agency is responsible for PCI compliance, fines and penalties for the agency application and internal agency business practices
Agency Developed/Agency Hosted	The agency is responsible for PCI compliance, and all fines and penalties
3rd Party Vendor Developed/Agency Hosted	The agency is responsible for PCI compliance, and all fines and penalties
3rd Party Vendor Developed/ITS Hosted	State is responsible for PCI compliance, fines and penalties for state network infrastructure. The agency is responsible for PCI compliance, fines and penalties for the agency application
3rd Party Vendor Developed/3rd Party Vendor Hosted	The agency is responsible for PCI compliance and all fines and penalties
Non-Web based systems, Point of Sale (POS), Interactive Voice Response (IVR), Over the Counter Sales, Telephone Sales, Mail in, etc.	The agency is responsible for PCI compliance and all fines and penalties

XI. Security Breaches and Notifications

- A. In the event of a security breach, credit card or debit card data could be compromised. Agencies will immediately terminate the application/services to preserve evidence and notify:
1. DFA's Chief Systems Information Officer at 601-359-6570.
 2. Mississippi Department of Information Technology Services, Information Security Director at 601-432-8080 and E-Government at (601) 432-8146.
 3. Mississippi State Attorney General's Office, Consumer Protection Division at (601) 359-3680 or 1 (800) 281-4418 and the Cyber Crimes Division at (601) 359-3817.

- B. The agency shall notify their customers of the breach once law enforcement informs the agency that customer notification will not impede an investigation.
 - 1. Agencies may notify customers using written notices or electronic notices. As a last resort, telephone notices can be given. Documentation that notices were provided, to whom they were provided, and when such notices were provided must be maintained by the Agency.
 - 2. The notice shall be clear and conspicuous and include:
 - a. A description of the incident in general terms.
 - b. The type of personal information subjected to unauthorized access or acquisition.
 - c. The general acts the agency has taken to protect the information from further unauthorized access.
 - d. A telephone number that the customer can call for further information.
 - e. Advice that directs the customer to remain vigilant by reviewing account statements and monitoring free credit reports or close an account.

XII. Appeal Process

- A. An agency wishing to appeal a cease and desist letter must submit a written request to the Department of Finance and Administration, Director, Office of Fiscal Management, 501 North West Street, Suite 701 -B, Jackson, MS 39201.
- B. The agency must provide the following information in the written request:
 - 1. The agency program supported.
 - 2. The items (services) offered for sale or collections.
 - 3. The individual item costs.
 - 4. An estimate of the processing cost "per transaction" for the items (services) to be sold.
 - 5. The number of items sold per year and the total cost of those items.
 - 6. A detailed description of how the system works.
 - 7. A detailed list of software operating on the system.
 - 8. A detailed list of equipment, including the name, model number, and purposed of the equipment.

9. A detailed description of accounting entries made to account for revenue and processing and other fees.
- C. The agency must state whether the agency or the consumer pays the EOC fee. The agency request must clearly:
1. Document whether the consumer can purchase only a single item or service at a time (example: drivers' license renewals) or a shopping cart model where multiple items may be purchased (example: hunting and fishing licenses).
 2. Demonstrate a dollar neutral cost or cost saving to the agency when absorbing the processing fees rather than having the consumer pay the fees projected over a fiscal year if the agency is to pay the processing fees. All assumptions must be documented.
 3. Demonstrate that the funds to defray the total cost of electronic processing will be available projected over a fiscal year if the agency is to pay the processing fees. All assumptions must be documented.
- D. If the agency is paying processing fees, the agency must acknowledge that they will be required to set aside cash/authority at a specified minimum limit in a specified fund to cover expenses (debits) associated with the agency's transactions for the following:
3. Authorization and settlements fees
 4. Refunds
 5. Chargebacks
 6. Voids
 7. Returned items charges
- E. The agency will also submit their PCI Self-Assessment Questionnaire, Remediation Plan, and cost estimates to correct deficiencies identified in the Remediation Plan. Once the agency information is reviewed, the agency will be given a written response to the appeal request.